Memorandum

MIAMI-DADE COUNTY

Date: October 21, 2008

Agenda Item No. 8(E)(1)(B)

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution Authorizing Issuance of $315 Million Water and Sewer System Revenue Refunding Bonds

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Recommendation

It is recommended that the Board of County Commissioners (Board) adopt the accompanying Resolution (Series 2008C Resolution) which authorizes the issuance of not to exceed $315 million of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C (Series 2008C Bonds), pursuant Ordinance No.93-134, for the purpose of refunding all of the outstanding Miami-Dade County, Florida $295.24 million Water and Sewer System Revenue Refunding Bonds, Series 2005 (Series 2005 Bonds), and in connection with the refunding, authorizes the termination of an existing synthetic fixed rate swap in order to make the refunding of these Bonds economically feasible. The Series 2008C Resolution also authorizes the Finance Director, as the County Mayor's designee, to do all things necessary and appropriate, within certain parameters, to issue the Series 2008C Bonds.

This item is being presented for BCC consideration because a substitute Liquidity Provider was not secured pursuant to Resolution R-978-08 adopted by the BCC on September 16, 2008. The BCC was advised that in the event a replacement Liquidity Provider was not secured, the County could consider other options, including the conversion of the 2005 Bonds as recommended in another item on this same agenda or the refunding (meaning the reissuance of bonds) as a second option.

Scope

This proposed agenda item will have a countywide impact.

Fiscal Impact/Funding Source

The refunding is necessary because JPMorgan Chase, current letter of credit provider, will not renew its letter of credit which is necessary to keep Series 2005 Bonds outstanding as variable interest rate obligations and the County can not secure a substitute letter of credit provider.

It is difficult to evaluate the true impact that the refunding will have on the Water and Sewer Department because of the disruption in the financial markets. However, refunding to a fixed rate, which historically has been more expensive than variable rate, is more favorable right now because of the instability in the variable rate market and will mitigate any further financial losses as a result of this instability.

The principal and interest on the Series 2005 Bonds are payable from water and sewer revenues.

Track Record/Monitor

Each agenda item sponsored by the County Manager shall state the track record of the person or entity recommended to enter into a contract with the County, as well as the name(s) of the person(s) who will be responsible for monitoring the contract.

Background

On November 16, 1993, the Board enacted Ordinance No. 93-143, as amended and supplemented, which authorized the issuance of water and sewer revenue and revenue refunding bonds (Master Ordinance). On June 7, 2005, the Board adopted Resolution R-646-05 (including Exhibit A) authorizing the issuance of the Series 2005 Bonds in the amount of $295.24 million, all of which are currently outstanding. Exhibit A provided the terms and provisions applicable to the Series 2005 Bonds in the various interest rate modes. The Series 2005 Bonds were issued as variable rate demand bonds in a weekly mode. At the time of issuance, the County entered into a Standby Bond Purchase Agreement (Agreement) with JPMorgan Chase Bank, National Association (JPMorgan Liquidity Facility) which provided for the purchase of the tendered and not remarketed Series 2005 Bonds by JPMorgan Chase. The JPMorgan Liquidity Facility was entered into on September 25, 2005 with an original expiration date of September 29, 2008.

On September 16, 2008, the Board adopted Resolution R-978-08 amending the Agreement by providing for an extension of the original expiration date to December 28, 2008 and approving the solicitation of proposals for a substitute Liquidity Provider. The Board was then advised at the time that in the event a replacement Liquidity Provider was not secured, the County Mayor or the County Mayor's designee could consider other viable options such as termination of the synthetic fixed rate swap and the issuance of fixed rate bonds.

The County was unable to obtain a substitute Liquidity Provider and as a result of this and given the uncertainties in the municipal markets, it is imperative that the County position itself to proceed with either a conversion or the refunding of the Series 2005 Bonds without the need of a liquidity facility. This item would allow for the refunding option.

At the time the Series 2005 Bonds were issued, the County entered into an interest rate swap pursuant to which the County paid a fixed rate of 5.27 percent and received a variable rate (Swap) in return which was used to pay the debt service on the Series 2005 Bonds. In order to make the refunding economically feasible and to avoid two fixed rate payments, one on the Series 2005 Bonds and the other on the Swap, the Swap needs to be terminated through the payment of any required termination costs.

In addition to the refunding of the Series 2005 Bonds, the Series 2008C Bonds, if issued, will be issued for the purposes of providing funds, together with any other available funds of the Water and Sewer Department to: (i) provide for the funding of any required deposit to the Reserve Account for the Series 2008C Bonds or pay the cost of a Reserve Account Credit Facility, if economically advantageous and necessary; (ii) pay the costs of any Credit Facilities; and (iv) paying certain costs of issuance of the Series 2008C Bonds.

The Series 2008C Resolution approves, authorizes and provides for:

- The negotiated sale of the Series 2008C Bonds; provided however, that the Series 2008C Bonds may initially be sold through a negotiated private placement, if as a result of market conditions, it is deemed to be in the best interest of the County;
- The use of a book-entry only system of registration for the Series 2008C Bonds;
- Continuing Disclosure Commitment, as required under the provisions of Rule 15c2-12, as amended, of the Securities and Exchange Commission;
- The form of the Series 2008C Bonds, Bond Purchase Agreement (Bond Purchase Agreement) and the Escrow Deposit Agreement (Escrow Deposit Agreement), in

substantially the forms attached to the Series 2008C Resolution as Exhibit "1", "2" and Exhibit "4" respectively;

- The designation of a Paying Agent and Registrar, Escrow Agent, Verification Agent, and similar entities, if each or any are required;
- The termination of the Swap and the payment of any required termination payment, which payment shall be made from available funds of the Water and Sewer Department; and
- The appropriate officials of the County to take all actions necessary in connection with the issuance of the Series 2008C Bonds and the closing of this transaction.

The Series 2008C Resolution further delegates to the Finance Director, as the County Mayor's designee, within certain limitations, the authority to:

- Issue the Series 2008C Bonds as tax exempt fixed rate serial bonds, or term bonds or a combination of them with final maturity on or before October 1, 2025;
- Determine amounts, dates, maturities, sinking fund installments, redemption provisions, series amounts and certain other details relating to such Series 2008C Bonds, after consultation with the County's Financial Advisors (Financial Advisors);
- Negotiate and obtain bond insurance and a reserve account credit facility, after a competitive process, if either are deemed appropriate and financially advisable, after consultation with the Director of the Water and Sewer Department, Financial Advisors, County Attorneys' Office (County Attorney) and Bond Counsel and execute and deliver any agreements that may be required by the bond insurer providing such bond insurance;
- Appoint RBC Capital Markets Corporation, as senior managing underwriter in connection with the issuance of the Series 2008C Bonds to and acting on behalf of the Underwriters further named in the Bond Purchase Agreement, provided that the true interest cost of the Series 2008C Bonds does not exceed 9.50 percent. (Although staff does not anticipate the interest rate being in the range of 9.50 percent, it needs the flexibility to make sure the County will be able issue refunding bonds to redeem the Series 2005 Bonds when they are tendered on December 19, as required because of the expiration of the JPMorgan Chase letter of credit);
- Execute and deliver the Bond Purchase Agreement and the Escrow Agreement, if necessary; and
- Prepare, distribute and permit the use of the Preliminary Official Statement substantially in the form attached as Exhibit "3" to this Series 2008C Resolution and allow the distribution of the final Official Statement.

Resolution R-130-06 provides that any County contract with a third party be finalized and executed prior to its placement on the committee agenda. The sale of the Series 2008C Bonds, which will set their final terms which are reflected in the Bond Purchase Agreement and the Escrow Agreement, will occur until after the effective date of this Series 2008C Resolution in order to provide the County the maximum flexibility in the market place as described above. Therefore, a waiver of Resolution R-130-06 is necessary.

Under a separate agenda item, the Board will be requested to consider for adoption a resolution (Conversion Resolution) providing for the interest rate conversion of the Series 2005 Bonds, in the event that it is determined that it is not in the County's best interest to proceed with the refunding of the Series 2005 Bonds, as authorized by the attached Series 2008C Resolution. It is intended that the authorizations provided under both resolutions can and will be pursued concurrently so that, in

the judgment of the Finance Director, after consultation with the Director of the Water and Sewer Department, Financial Advisors, County Attorney and Bond Counsel, the County can achieve the most expeditious and advantageous results.

Attachments

Cynthia W. Curry
Senior Advisor to County Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

DATE: October 21, 2008

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(E)(1)(B)

Please note any items checked.

_____ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised

_____ 6 weeks required between first reading and public hearing

_____ 4 weeks notification to municipal officials required prior to public hearing

_____ Decreases revenues or increases expenditures without balancing budget

_____ Budget required

_____ Statement of fiscal impact required

_____ Bid waiver requiring County Manager's written recommendation

_____ Ordinance creating a new board requires detailed County Manager's report for public hearing

_____ Housekeeping item (no policy decision required)

_____ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(E)(1)(B)
10-21-08

RESOLUTION NO. _____

RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED $315,000,000 MIAMI-DADE COUNTY, FLORIDA WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2008C, PURSUANT TO ORDINANCE NO. 93-134, AS AMENDED AND SUPPLEMENTED, FOR PURPOSE OF REFUNDING ALL OUTSTANDING MIAMI-DADE COUNTY, FLORIDA WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2005 AND PAYING RELATED COSTS; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE, WITHIN CERTAIN LIMITATIONS, TO FINALIZE TERMS AND PROVISIONS OF SUCH REFUNDING BONDS, TO APPOINT AGENTS AND TO APPROVE AND FINALIZE ANY RELATED AGREEMENTS; FINDING NECESSITY AND AUTHORIZING NEGOTIATED SALE; APPROVING FORMS OF AND AUTHORIZING EXECUTION AND DELIVERY OF BONDS AND CERTAIN DOCUMENTS; APPROVING FORM OF PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING DISTRIBUTION OF PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT; AUTHORIZING TERMINATION OF SWAP; AUTHORIZING COUNTY OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH ISSUANCE SALE, EXECUTION AND DELIVERY OF BONDS; AND PROVIDING FOR SEVERABILITY

WHEREAS, the Board of County Commissioners (the "Board") of Miami-Dade County, Florida (the "County"), acting pursuant to the authority recited in Section 1(A) of this Resolution (the "Series 2008C Resolution"), owns and operates water and wastewater treatment plant facilities and a distribution and collection system (the "Water and Sewer Utility" or the "Water and Sewer System") and pursuant to such authority, including Ordinance No. 93-134, enacted by the Board on November 16, 1993, as amended and supplemented from time to time, (the "Master Ordinance"), is authorized to issue revenue and revenue refunding bonds from time to time; and

WHEREAS, the County issued its $295,240,000 Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2005, all of which are currently outstanding (the "Series 2005 Bonds") under the Master Ordinance and Resolution No. R-646-05, adopted on June 7, 2005 (the "Series 2005 Resolution"), including Exhibit A thereto, as amended ("Exhibit A"), which provides for different Interest Modes (as defined in Exhibit A); and

WHEREAS, the Series 2005 Bonds were originally issued as bonds bearing interest in the Weekly Mode (as defined in Exhibit A); and

WHEREAS, under the provisions of the Series 2005 Resolution, during such time as the Series 2005 Bonds bear interest in the Weekly Mode, the County must maintain a Series 2005 Liquidity Facility (as defined in Exhibit A); and

WHEREAS, concurrently with the original issuance of the Series 2005 Bonds, the County entered into a Standby Bond Purchase Agreement dated as of September 29, 2005, as amended (the "JPMorgan Liquidity Facility"), with JPMorgan Chase Bank, National Association, providing for the purchase of tendered and not remarketed Series 2005 Bonds, which JPMorgan Liquidity Facility constitutes a Series 2005 Liquidity Facility under the Series 2005 Resolution; and

WHEREAS, the JPMorgan Liquidity Facility is set to expire under its terms on December 28, 2008 and, as a result of the current credit crisis, the County has been unable to obtain a Substitute Series 2005 Liquidity Facility (as defined in Exhibit A); and

WHEREAS, as a result of the County's inability to obtain a Substitute Series 2005 Liquidity Facility and given the uncertainties in the markets, it is imperative that the County be

in a position to proceed with either the conversion or the refunding of the Series 2005 Bonds without the need of a liquidity facility; and

WHEREAS, on this date, the Board is adopting a resolution (the "Conversion Resolution") providing, among other things, for the conversion of the Series 2005 Bonds to a different Interest Mode; and

WHEREAS, the Board desires to authorize the issuance of the Series 2008C Bonds, as Refunding Bonds, for the purpose of refunding the Series 2005 Bonds in the event that the County determines not to proceed with the conversion of the Series 2005 Bonds as authorized by the Conversion Resolution; and

WHEREAS, the Master Ordinance provides that before any Series of Refunding Bonds shall be issued, the Board shall adopt a Series Resolution authorizing the issuance of such bonds and making such other determinations provided in Section 209 of the Master Ordinance, all as may be specified in or provided for by or pursuant to said Series Resolution; and

WHEREAS, based upon the findings set forth in Section 2 of this Series 2008C Resolution, the Board deems it in the best financial interest of the County and the users of the Water and Sewer Utility that, the Series 2008C Bonds be sold at a public offering by negotiated sale to the underwriters named in a Bond Purchase Agreement (as hereafter defined) on the date and at a time to be set out in the Bond Purchase Agreement authorized by this Series 2008C Resolution, and to authorize the distribution and use of a preliminary official statement and final official statement, all relating to the negotiated sale of the Series 2008C Bonds, provided, however, that the Series 2005 Bonds may initially be sold through a negotiated private placement if as a result of market conditions, it is deemed to be in the best interests of the County; and

WHEREAS, since RBC Capital Markets Corporation ("RBC") is the current Remarketing Agent (as defined in Exhibit A) for the Series 2005 Bonds, it is in the best interests of the County to appoint RBC as the senior managing underwriter in connection with the issuance of the Series 2008C Bonds; and

WHEREAS, in connection with the Series 2005 Bonds, the Swap (as defined in the Series 2005 Resolution) is currently in effect; and

WHEREAS, in connection with the refunding of the Series 2005 Bonds, it is necessary to terminate the Swap and pay any required termination payment in order to make the refunding of the Series 2005 Bonds economically feasible; and

WHEREAS, the Board desires to **accomplish** the purposes outlined in the accompanying memorandum (the "County Manager's Memorandum"), a copy of which is incorporated in this Series 2008C Resolution by reference,

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA that:

Section 1. Authority, Recitals, Definitions and Construction.

(A) This Series 2008C Resolution is adopted pursuant to the provisions of the Constitution of the State of Florida, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended (the "Charter"), Chapters 125 and 166, Florida Statutes, as amended, the Master Ordinance, the Code of Miami-Dade County, Florida, as amended, and other applicable provisions of law (collectively, the "Act").

(B) Definitions. All capitalized terms used in this Series 2008C Resolution, which are not defined in this Series 2008C Resolution, shall have the meanings specified in the Master Ordinance, unless the context clearly requires otherwise. In addition, unless the context requires

otherwise, the capitalized words and terms defined in this Section shall have the following meanings:

"Bond Purchase Agreement" means the Bond Purchase Agreement between the County and the Underwriters related to the purchase of the Series 2008C Bonds, as authorized pursuant to Section 4(B).

"Defeasance Obligations" means for purposes of the Series 2008C Bonds, Government Obligations as defined in the Master Ordinance.

"DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company and clearing corporation and clearing agency under New York law, its successors and assigns, or such other securities depository as the County may designate in the Omnibus Certificate or, after the issuance of the Series 2008C Bonds, as the County may designate pursuant to Section 8 of this Series 2008C Resolution.

"Escrow Agent" means the bank or trust company designated by the Finance Director pursuant to Section 6 of this Series 2008C Resolution to serve in that capacity under the Escrow Deposit Agreement.

"Escrow Deposit Agreement" means the Escrow Deposit Agreement between the County and the Escrow Agent as authorized pursuant to Section 18 of this Series 2008C Resolution.

"Interest Payment Date" means, with respect to the Series 2008C Bonds, April 1 and October 1 of each year, as may be designated by the Finance Director in accordance with Section 4 of this Series 2008C Resolution; provided, however, that if the Series 2008C Bonds are subject to mandatory tender for purchase, the Series 2008C Bonds may have such other Interest Payment Dates as set forth in the Omnibus Certificate.

"Omnibus Certificate" means the certificate executed by the Finance Director, the Director, and a Deputy Clerk, dated the date of original issuance of the Series 2008C Bonds, setting forth among other things, the information and designations required by Section 4 of this Series 2008C Resolution.

"Outstanding" as defined in the Master Ordinance is hereby modified to exclude, with respect to the Series 2008C Bonds and in addition to the other exclusions contained in the Master Ordinance, Series 2008C Bonds for the payment of which money, Defeasance Obligations, or a combination of money and Defeasance Obligations, in an amount sufficient to pay on the date when such bonds are to be paid or redeemed pursuant to Sections 301 and 302 of the Master Ordinance, the principal or redemption price of, and the interest accruing to such date on, the bonds to be paid or redeemed, have been irrevocably deposited with the Paying Agent or an escrow agent in trust for the holders of such bonds; Defeasance Obligations shall be deemed to be sufficient to pay or redeem bonds on a specified date if the principal of and interest on such Defeasance Obligations, when due, will be sufficient to pay on such date the principal or redemption price of, and the interest accruing on, such bonds to such date.

"Refunded Bonds" means all of the outstanding Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2005.

"Regular Record Date" means, with respect to the Series 2008C Bonds, the 15th day of the calendar month (whether or not a business day) next preceding an Interest Payment Date, irrespective of any transfer of such Series 2008C Bonds subsequent to such Regular Record Date and prior to such Interest Payment Date.

"Rule" means Rule 15c2-12 of the United States Securities and Exchange Commission, as in effect from time to time, and any successor provisions to such rule.

"Underwriters" means the underwriters identified in and party to the Bond Purchase Agreement; provided, however, that if the Series 2008C Bonds are sold through a negotiated private placement, "Underwriters" shall mean, as applicable, the placement agent or the purchasers of the Series 2008C Bonds.

(C) Rules of Construction. Any reference to any Article, Section or provision of the Constitution or laws of the State of Florida, or of federal laws, or rules or regulations, shall include such provisions as amended, modified, revised, supplemented or superseded from time to time, provided that no such change shall be deemed applicable by reason of this provision if such change by its terms is inapplicable to any particular Series 2008C Bonds or would, in any way, constitute an unlawful impairment of the rights of the County or any Bondholder.

Terms used which are relevant to the provisions of the Code but which are not defined in this Series 2008C Resolution shall have the meanings given to them in the Code, unless the context indicates another meaning.

Section 2. Findings. The Board, in accordance with the Act and Section 218.385, Florida Statutes, as amended, finds, determines and declares as follows:

(A) The recitals contained in the "WHEREAS" clauses of this Series 2008C Resolution are incorporated as findings, and the attached County Manager's Memorandum is approved and incorporated in this Series 2008C Resolution.

(B) As a result of the expiration of the JPMorgan Liquidity Facility and the inability of the County to obtain a Substitute Series 2005 Liquidity Facility, it is necessary for the County to either (i) convert the Series 2005 Bonds as authorized by the Conversion Resolution, or (ii) refund the Refunded Bonds with the Series 2008C Bonds.

(C) Based upon the advice of the Public Resources Advisory Group (the "Financial Advisor"), and the recommendation of the County Manager, the negotiated sale of the Series 2008C Bonds is in the best interest of the County for the following reasons: (i) the current conditions of the financial markets; and (ii) the alternative structures, strategies and timing of the issuance of the Series 2008C Bonds, all of which require extensive planning and documentation which will benefit from the input of the Underwriters.

(D) The sale and issuance of the Series 2008C Bonds and the use of the proceeds of the Series 2008C Bonds, as provided in this Series 2008C Resolution, serve a proper public purpose.

(E) The Board has determined that it is in the best interest of the County to accept the offer of the Underwriters to purchase the Series 2008C Bonds at a negotiated sale but only upon the terms and conditions set forth in this Series 2008C Resolution or as may be determined by the Finance Director, as the County Mayor's designee, in accordance with the terms of this Series 2008C Resolution and set forth in the Bond Purchase Agreement and the Omnibus Certificate; provided, however, that the County may initially sell the Series 2008C Bonds through a negotiated private placement if as a result of market conditions, the Finance Director, after consultation with the Director, the Financial Advisor, the County Attorney, Squire, Sanders & Dempsey L.L.P. and KnoxSeaton (collectively, "Bond Counsel") and Hunton & Williams LLP and Law Offices Thomas H. Williams, Jr., P.L. (collectively, "Disclosure Counsel"), determines it is in the best interests of the County.

(F) The authority with regard to the issuance of the Series 2008C Bonds granted to the officers of the County provided for in this Series 2008C Resolution is necessary to the

proper, efficient and timely implementation of the refinancing program contemplated by this Series 2008C Resolution, and such authorization is in the best interests of the County.

Section 3. Authorization of Series 2008C Bonds; Terms and Provisions Applicable to Series 2008C Bonds.

(A) Authorization. To implement the refunding plan, the Board hereby authorizes the issuance, pursuant to the Master Ordinance, of not exceeding $315,000,000 Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"); provided, however, that to the extent the Series 2008C Bonds are not issued in calendar year 2008, the Series 2008C Bonds shall have such series designation as shall be set forth in the Omnibus Certificate. The Series 2008C Bonds are approved for issuance, pursuant to the Master Ordinance and this Series 2008C Resolution, and the County Manager's Memorandum, subject to the satisfaction of the conditions set forth in Section 209 of the Master Ordinance. The aggregate principal amount of the Series 2008C Bonds shall be determined by the Finance Director, after consultation with the Director and the Financial Advisor prior to the execution of the Bond Purchase Agreement, pursuant to Section 4(B) of this Series 2008C Resolution. The Series 2008C Bonds shall be issued for the purposes of providing funds, together with any other available funds of the Department, to: (i) refund the Refunded Bonds; (ii) pay the costs of any Credit Facilities; (iii) provide for the funding of any required deposit to the Reserve Account for the Series 2008C Bonds or to purchase a Reserve Account Credit Facility for such purpose, if advisable; and (iv) pay costs of issuance relating to the Series 2008C Bonds.

Each of the Series 2008C Bonds shall be executed in substantially the form attached as Exhibit 1 to this Series 2008C Resolution, which form of Series 2008C Bonds is approved, with such variations, omissions and insertions as may be deemed necessary and approved by the

Finance Director, after consultation with the Director, the Financial Advisor, County Attorney and Bond Counsel, and which are not inconsistent with the provision of the Master Ordinance and this Series 2008C Resolution.

The proceeds of the Series 2008C Bonds and any other available funds of the Department to be applied for the purposes of this Series 2008C Resolution, shall be applied by the Finance Director in the manner provided in Section 4 of this Series 2008C Resolution.

(B) Denominations; Date; Interest Rates; and Maturity Dates. The Series 2008C Bonds shall be issued in fully registered form in denominations of $5,000 or any multiple of $5,000. The Series 2008C Bonds shall be dated the date of their delivery and shall bear interest from their dated date. Interest on the Series 2008C Bonds shall be payable on each Interest Payment Date.

The Series 2008C Bonds shall be Serial Bonds or Term Bonds or a combination of Serial Bonds and Term Bonds, and shall mature on or before October 1, 2025, shall bear interest at such rates, and may be subject to mandatory redemption and optional redemption and tender for purchase, all as determined and established by the Finance Director in accordance with this Series 2008C Resolution and as initially set forth or specified in the Omnibus Certificate. The Series 2008C Bonds shall be initially numbered consecutively from R-1 and upwards.

Section 4. Authorizations and Limitations. The Finance Director is authorized to make the following determinations and take the following actions:

(A) In the event that the County determines not to proceed with the conversion of the Series 2005 Bonds in accordance with the Conversion Resolution, the Finance Director, in consultation with the Director and the Financial Advisor, is authorized to approve the terms of the Series 2008C Bonds, such approval to be evidenced by the terms and provisions set forth in

the Omnibus Certificate and the Bond Purchase Agreement, including, without limitation, the aggregate principal amount of the Series 2008C Bonds, which will be that amount necessary to refund the Refunded Bonds, fund any reserve requirement or pay the cost of a Reserve Account Credit Facility, and pay their cost of issuance (including payment of premium for bond insurance and other Credit Facilities), the date of the Series 2008C Bonds, the interest rates the Series 2008C Bonds shall bear, the purchase price, the optional and mandatory redemption terms of the Series 2008C Bonds, any provisions for the tender for purchase and remarketing of the Series 2008C Bonds, whether the Series 2008C Bonds shall be Serial Bonds, Term Bonds, or any combination of such Bonds, the maturity dates of the Series 2008C Bonds (which, in each case, shall be October 1 of the designated years of maturity), the maturity amounts as to Serial Bonds and Amortization Requirements as to Term Bonds and whether the Series 2008C Bonds will be sold through a public offering by negotiated sale or a private placement; provided, however, that in no event shall: (i) the aggregate principal amount of the Series 2008C Bonds exceed $315,000,000; (ii) the purchase price (not including original issue premium or original issue discount) be less than 98% of the original principal amount of the Series 2008C Bonds (the "Minimum Purchase Price"); (iii) the true interest cost rate (the "TIC") exceed 9.50% (the "Maximum TIC"); and (iv) the final maturity of the Series 2008C Bonds occur later than October 1, 2025. The Finance Director, after consultation with the Director and the Financial Advisor, is authorized to award the sale of the Series 2008C Bonds to the Underwriters named in the Bond Purchase Agreement upon terms as described in the preceding sentence, and to execute the Bond Purchase Agreement, with the execution and delivery of the Bond Purchase Agreement for and on behalf of the Board by the Finance Director being conclusive evidence of the Board's acceptance of the Underwriters' proposal to purchase the Series 2008C Bonds, and to cause the

issuance of such Bonds upon compliance with the requirements of Section 209 of the Master Ordinance; provided, however, that the Series 2008C Bonds may be sold through a private placement if deemed by the Finance Director, after consultation with the Director, the Financial Advisor, the County Attorney, Bond Counsel and Disclosure Counsel, to be in the best interests of the County.

(B) Approval of Bond Purchase Agreement and Authorization to Award the Sale of the Series 2008C Bonds. The Board approves the Bond Purchase Agreement in substantially the form attached as Exhibit 2 to this Series 2008C Resolution, with such additions, deletions and completions as may be necessary and approved by the Finance Director in accordance with the terms of this Series 2008C Resolution after consultation with the Director, the Financial Advisor, Bond Counsel and the County Attorney; provided, however, that if the Series 2008C Bonds are sold through a private placement, the Bond Purchase Agreement shall be revised accordingly. Upon compliance by the Underwriters with the requirements of Section 218.385, Florida Statutes, as amended, the Finance Director is authorized and directed to finalize the terms of, and to execute the Bond Purchase Agreement between the County and the Underwriters and to deliver the Bond Purchase Agreement. The aggregate principal amounts, maturities, interest rates, prices, optional and mandatory redemption provisions, tender for purchase provisions, if any, and other terms of the Series 2008C Bonds, as more fully described in the Bond Purchase Agreement, shall be established by the Finance Director within the limitations set forth in this Section 4. The execution and delivery of the Bond Purchase Agreement by the Finance Director shall be conclusive evidence of the Board's approval of any such additions, deletions and completions. The Board approves the negotiated sale of the Series 2008C Bonds to the

Underwriters upon the final terms and conditions in this Series 2008C Resolution and as set forth in the Omnibus Certificate and the Bond Purchase Agreement.

(C) Execution of the Series 2008C Bonds. The Series 2008C Bonds are issuable only in fully registered form, with such appropriate variations, omissions and insertions as may be required and approved by the Finance Director, after consultation with Bond Counsel and the County Attorney, pursuant to the Bond Purchase Agreement. The Series 2008C Bonds, substantially in the form set forth in Exhibit 1 attached to this Series 2008C Resolution, shall be executed for and on behalf of the County by the facsimile or manual signature of the County Mayor and attested with a facsimile or manual signature of the Clerk and the imprint or reproduction of the official seal of the Board. The Certificate of Authentication (the "Certificate of Authentication") of the Registrar shall appear on the Series 2008C Bonds and no Series 2008C Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Series 2008C Resolution unless such Certificate of Authentication shall have been duly executed on such Series 2008C Bonds. The authorized signature for the Registrar shall at all times be a manual signature. In case any officer whose signature shall appear on any Series 2008C Bonds shall cease to be such officer before the delivery of such Series 2008C Bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. Any Series 2008C Bonds may be signed and sealed on behalf of the County by such person who at the actual time of the execution of such Series 2008C Bonds shall hold the proper office with the County, although on the date of adoption of this Series 2008C Resolution such person may not have held such office or may not have been so authorized. The execution and delivery of the Series 2008C Bonds substantially in the manner

mentioned above are authorized and such execution and delivery as described above shall be conclusive evidence of the Board's approval.

(D) Special Limited Obligations of County. The Series 2008C Bonds shall be special limited obligations of the County payable solely from and secured solely by Pledged Revenues. The Series 2008C Bonds do not constitute an indebtedness, liability, general or moral obligation, or a pledge of the faith, credit or power of the County, the State or any political subdivision of the State, within the meaning of any constitutional, statutory or charter provision. Neither the State nor any political subdivision of the State nor the County shall be directly or indirectly or contingently obligated to levy any ad valorem taxes on any property to pay the principal of or the interest on the Series 2008C Bonds or other related costs, or to pay the same from any other funds of the County except from the Pledged Revenues. The acceptance of the Series 2008C Bonds by the registered owners from time to time of the Series 2008C Bonds shall be deemed an agreement between the County and such registered owners that the Series 2008C Bonds and the indebtedness evidenced by the Series 2008C Bonds shall not constitute a lien upon the Water and Sewer Utility, any part of the Water and Sewer Utility, or any other property of the County, but shall constitute a lien only on the Pledged Revenues.

Section 5. Use of Proceeds of the Series 2008C Bonds and Other Funds. Subject to the provisions of the Master Ordinance, the proceeds received from the sale of the Series 2008C Bonds, and other legally available funds of the Department as determined by the Finance Director in the Omnibus Certificate, shall be applied as follows:

(A) The portion of the proceeds of the Series 2008C Bonds and other legally available funds necessary to fund the redemption of the Refunded Bonds shall be transferred to the Paying Agent for the Refunded Bonds and applied to redeem the Refunded Bonds on the date of

delivery of the Series 2008C Bonds; provided, however, that in the event the Refunded Bonds are not redeemed on the date of delivery of the Series 2008C Bonds, such proceeds and other legally available funds shall be transferred to the Escrow Agent and applied to the acquisition of the Defeasance Obligations described in the Escrow Deposit Agreement and to the payment and redemption of the Refunded Bonds pursuant to the Escrow Deposit Agreement, all for the purpose of providing for the refunding and defeasing of the Refunded Bonds.

(B) The amount which, together with any funds provided by the Department, shall be necessary to make the funds on deposit in the Reserve Account equal the Reserve Account Requirement, after the issuance of the Series 2008C Bonds, shall be deposited in the Reserve Account; provided, however, that if a Reserve Account Credit Facility is provided to satisfy the Reserve Account Requirement, in lieu of making such deposit, proceeds from the sale of the Series 2008C Bonds or any funds provided by the Department shall be used to pay the premium on such Reserve Account Credit Facility.

(C) The balance of the proceeds from the sale of the Series 2008C Bonds shall be deposited in a special account created by this Series 2008C Resolution and designated the "Series 2008C Bonds Cost of Issuance Account" (the "Series 2008C Cost of Issuance Account") and disbursed by the Department upon receipt of appropriate invoices, including the payment of any municipal insurance premium, if any, with any surplus remaining after all costs of issuance have been paid being transferred to the Series 2008C Bond Service Subaccount. To the extent the Series 2008C Bonds are issued in a year other than calendar year 2008, the designation of the Series 2008C Cost of Issuance Account shall be modified accordingly as set forth in the Omnibus Certificate.

(D) Funds held for the benefit of the Refunded Bonds in the Debt Service Fund shall be applied for such purposes as may be designated by the Finance Director in the Omnibus Certificate, after consultation with the Director and the Financial Advisor and Bond Counsel.

Section 6. Authorization for Appointment of Agents; Approval of Agency Agreements. The Finance Director is authorized to appoint, after a competitive process, a Paying Agent and Registrar, and, to the extent the Refunded Bonds are not redeemed on the date of delivery of the Series 2008C Bonds, an Escrow Agent and a Verification Agent.

The Finance Director, in consultation with the Director, the Financial Advisor, the County Attorney and Bond Counsel, is authorized to negotiate and execute agreements and similar documents with such entities, the execution and delivery of such agreements and documents being conclusive evidence of the Board's approval of the terms thereof.

Section 7. Authorization, Authentication and Delivery of Series 2008C Bonds. The Registrar is authorized and directed to authenticate and deliver the Series 2008C Bonds to the Underwriters upon payment for the Series 2008C Bonds by such Underwriters in accordance with the Bond Purchase Agreement.

Section 8. System of Certificated and Uncertificated Registration. There is established a system of registration with respect to the Series 2008C Bonds as permitted by Chapter 279, Florida Statutes, as amended, pursuant to which both certificated and uncertificated registered Series 2008C Bonds are issued. The system of registration shall be as described in the Official Statement. The Series 2008C Bonds shall be initially issued as uncertificated, book-entry-only, bonds through the Book-Entry-Only System maintained by DTC which will act as securities depository for the Series 2008C Bonds. The County reserves the right to amend,

discontinue or reinstitute the Book-Entry-Only System from time to time, subject to the rights of Bondholders contained in the Master Ordinance and this Series 2008C Resolution.

Neither the County nor the Paying Agent shall be liable for the failure of the securities depository of the Series 2008C Bonds to perform its obligations as described in the Official Statement nor for the failure of any participant in the Book-Entry-Only System maintained by the securities depository to perform any obligation such participant may have to a beneficial owner of any Series 2008C Bonds.

Section 9. Approval of the Preliminary Official Statement and Official Statement. The proposed Preliminary Official Statement (the "Preliminary Official Statement") and final Official Statement for use in connection with the issuance of the Series 2008C Bonds (the "Official Statement") is approved in substantially the form of the Preliminary Official Statement attached as Exhibit 3 to this Series 2008C Resolution, subject to such changes, modifications, insertions and omissions and such filling in of blanks as may be deemed necessary and determined and approved by the Finance Director, with the approval of Bond Counsel, the County Attorney and Disclosure Counsel, and after consultation with the Director and the Financial Advisor, with the delivery of the Official Statement, on behalf of the County, being conclusive evidence of the Board's approval of the Preliminary Official Statement and the Official Statement; provided, however, that if the Series 2008C Bonds are initially offered for sale through a private placement, the Preliminary Official Statement and the Official Statement will be revised accordingly. The use and distribution of the Preliminary Official Statement in connection with the marketing of the Series 2008C Bonds and the delivery of the Official Statement in connection with the sale of the Series 2008C Bonds on behalf of the County are authorized. If so requested by the Underwriters, the Finance Director, after consultation with the

Director, the Financial Advisor, the County Attorney and Disclosure Counsel, is authorized to make any necessary certifications to the Underwriters with respect to the Preliminary Official Statement and the Official Statement, required under the provisions of the Rule to the effect that the Preliminary Official Statement, with such changes as may be approved by the officer executing the certificate is, except for Permitted Omissions, "final" as of its date, and that the information therein is accurate and complete except for the Permitted Omissions. As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, ratings and other terms of the Series 2008C Bonds and any underlying obligations depending on such matters, all with respect to the Series 2008C Bonds and any underlying obligations.

Section 10. Credit Facilities and Reserve Account Credit Facilities. If the Finance Director determines, after consultation with the Director and the Financial Advisor, that there is an economic benefit to the County to obtain and pay for a Credit Facility and/or Reserve Account Credit Facility, the Finance Director is authorized to secure a Credit Facility and/or Reserve Account Credit Facility with respect to the Series 2008C Bonds. The Finance Director is authorized and directed to execute and deliver such agreements, instruments or certificates for and on behalf of the County as may be necessary to secure such Credit Facility and/or Reserve Account Credit Facility with such terms, covenants, provisions and agreements, including, without limitation, the granting to a Credit Facility Provider of the power to exercise certain rights and privileges of the holders of the Series 2008C Bonds secured by such Credit Facility Provider under the Master Ordinance, as may be approved by the Finance Director upon advice of the County Attorney and Bond Counsel. The execution and delivery of such agreements or instruments for and on behalf of the County shall be conclusive evidence of the Board's approval

of such agreements or instruments. The Finance Director is authorized to provide for the payment of any premiums on or fees for such Credit Facilities and/or Reserve Account Credit Facilities from the proceeds of the issuance of the Series 2008C Bonds or from any available funds of the Department, including funds on deposit in the Reserve Account which are available for such purpose.

As provided in the Master Ordinance, any agreements with Credit Facility Providers or Reserve Account Credit Facility Providers shall supplement and be in addition to the provisions of the Master Ordinance and this Series 2008C Resolution.

Section 11. Redemption Provisions.

(A) General. The Board authorizes the Finance Director to determine in the Bond Purchase Agreement the redemption provisions with respect to the Series 2008C Bonds. The Series 2008C Bonds shall be subject to mandatory redemption from moneys in the Redemption Account and at the option of the County, as provided in the Bond Purchase Agreement and in the Series 2008C Bonds. The amount of Series 2008C Bonds constituting Term Bonds required to be redeemed in each Bond Year as set forth in the Bond Purchase Agreement shall constitute the Amortization Requirements for the Series 2008C Bonds in the preceding Bond Year. The execution and delivery of such Bond Purchase Agreement by the Finance Director shall be conclusive evidence of the approval of such redemption provisions by the Board.

Upon surrender of any Series 2008C Bond for redemption in part only, the County shall issue and the Paying Agent shall deliver to the registered owner of the Series 2008C Bond, the costs of which shall be paid by the registered owner, a new Series 2008C Bond or Series 2008C Bonds of authorized denominations in aggregate principal amount equal to the unredeemed portion surrendered.

(B) Effect of Calling for Redemption. On the date so designated for redemption, notice having been mailed as provided in the Master Ordinance, the Series 2008C Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2008C Bonds on such date, and moneys for payment of the redemption price being held in separate accounts by the Paying Agent in trust for the registered owners of the Series 2008C Bonds to be redeemed, interest on the Series 2008C Bonds so called for redemption shall cease to accrue, such Series 2008C Bonds shall not be deemed to be Outstanding for purposes of this Series 2008C Resolution and the Master Ordinance, and shall cease to be entitled to any lien, benefit or security under this Series 2008C Resolution or the Master Ordinance, and the registered owners of such Series 2008C Bonds shall have no rights in respect of the Series 2008C Bonds except to receive payment of the redemption price of the Series 2008C Bonds.

Whenever any Series 2008C Bonds shall be delivered to the Paying Agent for cancellation, upon payment of the principal amount of the Series 2008C Bonds, or for replacement, transfer or exchange, such Series 2008C Bonds shall be canceled and destroyed by the Paying Agent, and counterparts of the certificate of destruction evidencing any such destruction shall be furnished to the County.

(C) Conditional Notice of Redemption. If the Series 2008C Bonds or any portion thereof are to be redeemed pursuant to the terms authorized in this Series 2008C Resolution, the County may provide a conditional notice of redemption of such Series 2008C Bonds in accordance with the terms set forth below, and the Finance Director is authorized, in her discretion, to add to the form of Series 2008C Bonds a provision reflecting this right:

Conditional Notice of Redemption. In the case of an optional redemption, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys in the Redemption Account or with an escrow agent under an escrow deposit agreement, in amounts necessary to effect the redemption, no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this subsection. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the County delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the County to make such funds available shall constitute an Event of Default. The County shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

Section 12. Creation of Subaccounts. The following two separate subaccounts are created and established for the benefit of the Series 2008C Bonds in the Debt Service Fund created pursuant to Section 502 of the Master Ordinance, "Series 2008C Bond Service Subaccount" (the "Series 2008C Bond Service Subaccount") and "Series 2008C Redemption Subaccount" (the "Series 2008C Redemption Subaccount"). The Finance Director is authorized

to create or cause to be created such additional subaccounts as shall be necessary or advisable in connection with the issuance of the Series 2008C Bonds. Amounts held in any such subaccounts are to be held solely for the benefit of the Series 2008C Bonds.

To the extent the Series 2008C Bonds are issued in a year other than calendar year 2008, the designations of the Series 2008C Bond Service Subaccount and the Series 2008C Redemption Subaccount created above shall be modified accordingly as set forth in the Omnibus Certificate.

Section 13. Payment and Ownership of Series 2008C Bonds. The principal of or any premium on any Series 2008C Bond shall be payable when due to a Bondholder upon presentation and surrender of such Series 2008C Bond at the designated office of the Paying Agent and interest on each Series 2008C Bond shall be paid on each Interest Payment Date by check or draft, mailed by the Paying Agent on that Interest Payment Date to the registered owner of the Series 2008C Bond as of the close of business on the Regular Record Date applicable to that Interest Payment Date and at the Bondholder's address as it appears on the registration books of the Registrar on that Regular Record Date, provided, however, that (i) so long as the ownership of such Series 2008C Bonds are maintained in a Book-Entry-Only System by a securities depository, such payment shall be made by automatic funds transfer ("wire") to such securities depository or its nominee and (ii) if such Series 2008C Bonds are not maintained in a Book-Entry-Only System by a securities depository, upon written request of the registered owner of $1,000,000 or more in principal amount of Series 2008C Bonds delivered 15 days prior to an Interest Payment Date, interest may be paid when due by wire in immediately available funds. If and to the extent, however, the County fails to make payment or provision for payment on any Interest Payment Date of interest on any Series 2008C Bond, interest shall be payable to the

person in whose name such bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice mailed by the Registrar to the registered owners of the Series 2008C Bonds not less than fifteen days preceding such special record date. Such notice shall be mailed to the persons in whose name the Series 2008C Bonds are registered at the close of business on the fifth (5th) day preceding the date of mailing.

The registered owner of any Series 2008C Bond shall be deemed and regarded as the absolute owner of the Series 2008C Bonds for all purposes of this Series 2008C Resolution. Payment of or on account of the debt service on any Series 2008C Bond shall be made only to or upon the order of that registered owner or such registered owner's attorney-in-fact duly authorized in writing in the manner permitted by law, and neither the County nor the Paying Agent shall be affected by notice to the contrary. All payments made as described in the Series 2008C Resolution shall be valid and effective to satisfy and discharge the liability upon that Series 2008C Bond, including without limitation, the interest on that Series 2008C Bond, to the extent of the amount or amounts so paid.

Section 14. Authorization of Swap Termination. The termination of the Swap and the payment of any required termination payment is authorized, as determined by the Finance Director, in consultation with Swap Financial Group LLC and the Director, and as set forth in the Omnibus Certificate. The payment of any termination payment shall be made from available funds of the Department.

Section 15. Modification or Amendment. This Series 2008C Resolution shall constitute a contract between the County and the registered owners from time to time of the Series 2008C Bonds. Except as provided in the Series 2008C Resolution, no material amendment or modification of this Series 2008C Resolution or of any resolution amendatory of

this Series 2008C Resolution or supplemental to this Series 2008C Resolution may be made without the consent of the registered owners of at least a majority in principal amount of the Series 2008C Bonds then Outstanding.

Notwithstanding anything in this Series 2008C Resolution to the contrary, (i) this Series 2008C Resolution may be amended without the consent of Bondholders to provide clarification, correct omissions, make technical changes, comply with state laws or to make such additions, deletions or modifications as may be necessary to assure compliance with Section 148 of the Code, as amended or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Series 2008C Bonds, and such other amendments that do not materially adversely affect the interest of registered owners of Bonds then Outstanding; and (ii) if a Credit Facility has been issued with respect to the Series 2008C Bonds, the Credit Facility Provider may give consents, on behalf of the registered owners of the Series 2008C Bonds insured or secured by it, to any of the foregoing amendments in accordance with the provisions of Section 803 of the Master Ordinance.

Section 16. Tax Covenants. The County covenants to take the actions required of it for interest on the Series 2008C Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would affect that exclusion. In furtherance of the foregoing covenant, the County agrees that it will comply with the provisions of a tax compliance certificate to be prepared by Bond Counsel and executed and delivered on the date of issuance of the Series 2008C Bonds. The Finance Director is authorized to execute and deliver such tax compliance certificate in customary form.

Notwithstanding anything in this Series 2008C Resolution to the contrary, the requirement of the County to rebate any amounts due to the United States pursuant to Section

148 of the Code shall survive the payment or provision for payment of the principal, interest and redemption premium, if any, with respect to all or any of the Series 2008C Bonds.

Section 17. State Revolving Fund Obligations to Be Subordinate. The County's obligations to the State under the various State Revolving Fund Loan Agreements shall be subordinate to the Outstanding Bonds, the Series 2008C Bonds and any Additional Bonds and Refunding Bonds issued and delivered pursuant to the Master Ordinance. The Finance Director is authorized and directed to deliver a certificate, if necessary, upon the issuance and delivery of the Series 2008C Bonds, to confirm the annual debt service coverage required under the State Revolving Fund Loan Agreement.

Section 18. Escrow Deposit Agreement. If the Series 2005 Bonds are not to be redeemed on the date of delivery of the Series 2008C Bonds, the County will enter into the Escrow Deposit Agreement. The Escrow Deposit Agreement in substantially the form attached as Exhibit 4 to this Series 2008C Resolution is approved with such changes, insertions and omissions as shall be necessary and approved by the Finance Director, after consultation with the Director, the Financial Advisor, the County Attorney and Bond Counsel, with the execution and delivery of such agreement being conclusive evidence of the Board's approval of any such additions and deletions.

Section 19. Remarketing of Series 2008C Bonds. In the event it is necessary to remarket the Series 2008C Bonds, the Finance Director, after consultation with the Director, the Financial Advisor, the County Attorney, Bond Counsel and Disclosure Counsel, is authorized to appoint a remarketing agent(s) and a tender agent, enter into such agreements as shall be necessary, including a remarketing agreement and a tender agent agreement in the forms

commonly used by the County, and provide for the preparation and distribution of a remarketing memorandum in substantially the form of the Official Statement.

Section 20. Continuing Disclosure Commitment. To the extent required by the Rule:

(A) The County agrees, in accordance with the provisions of, and to the degree necessary to comply with, the secondary disclosure requirements of the Rule, to provide or cause to be provided for the benefit of the owners of the Series 2008C Bonds to each nationally recognized municipal securities information repository ("NRMSIR") and to the appropriate state information depository ("SID"), if any, designated by the State of Florida, the following annual financial information and operating data (the "Annual Information"), commencing with the Fiscal Year ending September 30, 2009:

(1) Operating Revenues and Pledged Revenues (as defined in the Master Ordinance) in a form which is generally consistent with the presentation of such information in the Official Statement for the Series 2008C Bonds.

(2) The audited general purpose financial statements of the Department utilizing generally accepted accounting principles applicable to municipal utilities as described in the Official Statement, except as may be modified from time to time and described in such financial statements.

The information in paragraphs (1) and (2) above will be available on or before June 1 of each year for the preceding Fiscal Year and will be made available, in addition to each NRMSIR and the SID, to each registered owner of the Series 2008C Bonds who requests such information. Any assertion of legal or beneficial ownership must be filed, with full documentary support, as part of the written request described in this Section. The audited financial statements of the Department referred to in paragraph (2) above are expected to be available separately from the

information in paragraph (1) above and will be provided by the County as soon as practical after acceptance of such statements from the auditors by the Department. The audited financial statements are generally available within eight (8) months from the end of the Fiscal Year.

(B) The County agrees to provide or cause to be provided, in a timely manner, to (i) each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB"), and (ii) the SID, notice of occurrence of any of the following events with respect to the Series 2008C Bonds, if such event is material:

1. principal and interest payment delinquencies;

2. non-payment related defaults;

3. unscheduled draws on debt service reserves reflecting financial difficulties;

4. unscheduled draws on credit enhancements reflecting financial difficulties;

5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions or events affecting the tax-exempt status of the Series 2008C Bonds;

7. modifications to rights of holders of the Series 2008C Bonds;

8. bond calls;

9. defeasance;

10. release, substitution or sale of any property securing repayment of the Series 2008C Bonds (the Series 2008C Bonds are solely secured by Pledged Revenues); and

11. rating changes.

(C) The County agrees to provide or cause to be provided, in a timely manner, to (i) each NRMSIR or to the MSRB, and (ii) the SID, notice of its failure to provide the Annual Information with respect to itself on or prior to June 1 following the end of the preceding Fiscal Year.

(D) The obligations of the County under this Section shall remain in effect only so long as the Series 2008C Bonds are Outstanding. The County reserves the right to terminate its obligations to provide the Annual Information and notices of material events, as set forth above, if and when the County no longer remains an "obligated person" with respect to the Series 2008C Bonds within the meaning of the Rule.

(E) The County agrees that its undertaking pursuant to the Rule set forth in this Section is intended to be for the benefit of the beneficial owners of the Series 2008C Bonds and shall be enforceable by such beneficial owners if the County fails to cure a breach within a reasonable time of written notice from a beneficial owner that a breach exists, provided that any such beneficial owner's right to enforce the provisions of this undertaking shall be on behalf of all beneficial owners and shall be limited to a right to obtain specific performance of the County's obligations in a federal or State court located within the County and any failure by the County to comply with the provisions of this undertaking shall not be a default with respect to the Series 2008C Bonds.

(F) Additionally, the requirements of Subsection (A) above do not necessitate the preparation of any separate annual report addressing only the Series 2008C Bonds. The requirements of Subsection (A) may be met by the filing of an annual information statement or the County's Comprehensive Annual Financial Report, provided such report includes all of the required annual information and is available by June 1 of each year for the preceding Fiscal

Year. Additionally, the County may incorporate any information in any prior filing with each NRMSIR and SID, if any, or included in any Official Statement of the County, provided such final Official Statement is filed with the MSRB.

(G) The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, provided that the County agrees that any such modification will be done in a manner consistent with the Rule.

(H) Except to cure any ambiguity, inconsistency or formal defect or omission in the provisions of this Section, the County covenants as to secondary disclosure (the "Covenants") may only be amended if:

(1) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the County or type of business conducted, the Covenants, as amended, would have complied with the requirements of the Rule at the time of award of the Series 2008C Bonds, after taking into account any amendments or change in circumstances, and the amendment does not materially impair the interests of the beneficial owners, as determined by Bond Counsel or other independent counsel knowledgeable in the area of Federal securities laws and regulations; or

(2) all or any part of the Rule, as interpreted by the staff of the Securities and Exchange Commission (the "SEC") at the date of the adoption of this Series 2008C Resolution, ceases to be in effect for any reason, and the County elects that the Covenants shall be deemed amended accordingly.

Any assertion of beneficial ownership must be filed, with full documentary support, as part of the written request described above.

The Board further authorizes and directs the Finance Director to cause all other agreements to be made or action to be taken as required in connection with meeting the County's obligations as to the Covenants. The Finance Director shall further be authorized to make such additions, deletions and modifications to the Covenants as she shall deem necessary or desirable in consultation with the Director, the County Attorney, Disclosure Counsel and Bond Counsel. The delivery of the final Official Statement containing any such additions, deletions and modifications for and on behalf of the County by the Finance Director shall be conclusive evidence of the Board's approval of any such additions, deletions and modifications.

(I) Notwithstanding the foregoing, the County shall be in compliance with the filing requirements of this Series 2008C Resolution if the required information is provided to the "Central Post Office" or any other entity serving a similar purpose which complies with the requirements of the Rule or which has been approved by the SEC to serve the same function as the "Central Post Office," who shall then be responsible for forwarding the filing information to any NRMSIR or SID. The Central Post Office is the internet-based electronic filing system operated by the Texas Municipal Advisory Council under the name of "Disclosure USA" at the following internet address: www.disclosureusa.org. Information provided to the Central Post Office or any alternate internet-based filing system which has been so approved by the SEC shall not have to also be separately filed with any NRMSIR or SID unless the SEC has withdrawn the interpretative advice in its letter to the Texas Municipal Advisory Council dated September 7, 2004 or other similar letter or authorization provided by the SEC.

Section 21. Authorization of Further Actions; Additional Covenants and Agreements. The County Mayor, the County Manager, the Director, the Finance Director, the County Attorney, the Clerk and other officers, employees and agents of the County are authorized and directed to do all acts and things and to execute and deliver any and all documents and certificates which they deem necessary or advisable in order to consummate the issuance of the Series 2008C Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Series 2008C Resolution, the Series 2008C Bonds and the documents described in this Series 2008C Resolution, including any documents and certificates required in connection with any remarketing of Series 2008C Bonds. In the event that the County Mayor, the County Manager, the Director, the Finance Director, the Clerk or the County Attorney is unable to execute and deliver the documents contemplated in this Series 2008C Resolution, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the County.

Section 22. Severability; Resolution Controlling. In case any one or more of the provisions of this Series 2008C Resolution or any document approved by this Series 2008C Resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Series 2008C Resolution or such document, as the case may be, and such other provisions shall be construed and enforced as if such illegal or invalid provision had not been contained in this Series 2008C Resolution or such document. All or any part of any resolutions or proceedings in conflict with the provisions of this Series 2008C Resolution are to the extent of such conflict repealed or amended to the extent of such inconsistency. It is intended, however, that the authorizations under the Conversion Resolution and the authorizations hereunder can and will be pursued concurrently so that, in the judgment of

the Finance Director, the County can achieve the most expeditious and advantageous converting or refunding of the Series 2005 Bonds.

Section 23. Governing Law. The Series 2008C Bonds are to be issued and this Series 2008C Resolution is adopted and the Bond Purchase Agreement and such other instruments necessary for the issuance of the Series 2008C Bonds shall be executed and delivered with the intent that, except to the extent specifically provided in such documents, the laws of the State of Florida shall govern their construction.

Section 24. Waiver. The provisions of Resolution No. R-130-06, as amended from time to time, requiring that any contracts of the County with third parties be executed and finalized prior to their placement on the committee agenda is waived at the request of the County Manager for the reasons set forth in the County Manager's Memorandum.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice-Chairwoman

Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of October, 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

By:_____
Deputy Clerk

Gerald T. Heffernan

EXHIBIT LIST

Exhibit 1	Form of Series 2008C Bond
Exhibit 2	Form of Bond Purchase Agreement
Exhibit 3	Form of Preliminary Official Statement
Exhibit 4	Form of Escrow Deposit Agreement

EXHIBIT 1

FORM OF SERIES 2008C BOND

No. R- $

UNITED STATES OF AMERICA
STATE OF FLORIDA
MIAMI-DADE COUNTY, FLORIDA
WATER AND SEWER SYSTEM REVENUE REFUNDING BOND, SERIES 2008C

Interest Rate	Maturity	Dated Date	Cusip

Registered Owner: Cede & Co.

Principal Amount:

Miami-Dade County, Florida, a political subdivision of the State of Florida (the "County"), for value received, hereby promises to pay, but only from the special funds described in this Bond, to the Registered Owner of this Bond specified above on the date shown above, upon surrender of this Bond, the principal of this Bond and to pay to the Registered Owner of this Bond at the close of business on the Regular Record Date (defined below), but only from said special funds, interest on this Bond from the interest payment date next preceding the date on which this Bond is authenticated unless it is authenticated on an interest payment date, in which event it shall bear interest from such date or if it is authenticated prior to the first interest payment date, in which event it shall bear interest from the Dated Date specified above, until payment of said principal amount has been made or provided for, at the interest rate shown above on the first day of April and October of each year, commencing April 1, 2009. Regular Record Date for the purposes of this Bond shall mean the fifteenth day of the calendar month next preceding the interest payment date. The interest on this Bond is payable by check or draft drawn on the Paying Agent hereinafter mentioned and the principal is payable at the designated corporate trust office of _____, _____, _____, or at the duly designated office of any duly appointed alternate or successor paying agent (the "Paying Agent"), provided that for any Registered Owner of one million dollars ($1,000,000) or more in principal amount of Bonds, such payment shall, upon the express written request of such Registered Owner delivered 15 days prior to an interest payment date, be made by wire transfer. If and to the extent, however, the County fails to make payment or provision for payment on any interest payment date of interest on this Bond, interest shall be payable to the Registered Owner of this Bond on a special record date for the payment of such defaulted interest (the "Special Record Date") as established by notice mailed by the Registrar to the Registered Owner of this Bond not less than fifteen days preceding such Special Record Date. Such notice shall be mailed to the Person who is the Registered Owner of this Bond at the close of business on the fifth (5th) day preceding the date of mailing. The principal of and interest on

this Bond shall be paid in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

This Bond is one of a duly authorized series of revenue bonds of the County designated as "Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C" (the "Series 2008C Bonds"), issued for the principal purpose of refunding the County's outstanding Water and Sewer System Revenue Refunding Bonds, Series 2005, pursuant to Ordinance No. 93-134, duly enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on November 16, 1993 (the "Master Ordinance") and Resolution No. R-___-08, adopted by the Board on _____, 2008 (the "Series 2008C Resolution" and, together with the Master Ordinance, the "Bond Ordinance"), reference to which Bond Ordinance is hereby made for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2008C Bonds, the funds charged with and pledged to the payment of the principal of and the interest on the Series 2008C Bonds, the nature and extent of the security, the terms and conditions on which obligations on a parity with the Series 2008C Bonds may be issued under the Master Ordinance, the rights, duties and obligations of the County under the Bond Ordinance and the rights of the owners of the Series 2008C Bonds; and, by the acceptance of this Bond, the owner of this Bond assents to all the provisions of the Bond Ordinance. This Bond is issued, the Master Ordinance was enacted and the Series 2008C Resolution was adopted under the authority of the Constitution and laws of the State of Florida, including, but not limited to, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, Chapters 125 and 166, Florida Statutes, as amended, and all other applicable laws, and the Code of Miami-Dade County, Florida, as amended. Terms used in capitalized form in this Bond and not defined shall have the meanings assigned to such terms in the Bond Ordinance.

This Bond and the interest thereon is a special and limited obligation of the County, payable from and secured by a lien on and a pledge of certain income and earnings derived from the ownership and operation of the water and sewer utility (the "Utility") of the County, subject to the prior payment of expenses of operation and maintenance of the Utility (the "Pledged Revenues"), all in the manner provided in the Master Ordinance.

The Outstanding Bonds, the Series 2008C Bonds and any additional bonds (collectively, the "Bonds") issued under the Master Ordinance are and will be equally and ratably secured, to the extent provided in the Master Ordinance, by the pledge of the Pledged Revenues.

This Bond shall be a special limited obligation of the County payable solely from and secured solely by Pledged Revenues. This Bond does not constitute an indebtedness, liability, general or moral obligation, or a pledge of the faith, credit or power of the County, the State or any political subdivision of the State, within the meaning of any constitutional, statutory or charter provision. Neither the State nor any political subdivision of the State nor the County shall be directly or indirectly or contingently obligated to levy any ad valorem taxes on any property to pay the principal of or the interest on this Bond or other related costs, or to pay the same from any other funds of the County except from the Pledged Revenues. The acceptance of this Bond by the Registered Owner from time to time of this Bond shall be deemed an agreement between the County and such Registered Owner that this Bond and the indebtedness evidenced by this Bond shall not constitute a lien upon the Water and Sewer Utility, any part of the Water

and Sewer Utility, or any other property of the County, but shall constitute a lien only on the Pledged Revenues.

The Series 2008C Bonds maturing on October 1, _____ are subject to mandatory sinking fund redemption in part prior to maturity by lot, at a redemption price equal to 100% of the principal amount of the Series 2008C Bonds to be redeemed, plus accrued interest to the date of redemption, commencing on October 1, _____ and on each October 1 thereafter, in the years and principal amounts set forth below:

Year	Principal Amount

*Final Maturity

The Series 2008C Bonds maturing on or before October 1, _____ shall not be subject to optional redemption prior to maturity. The Series 2008C Bonds maturing on or after October 1, _____ are subject to optional redemption prior to maturity, at the option of the County, in whole or in part at any time, on or after October 1, ____, and if in part, in maturities determined by the County and by lot within a maturity, at a redemption price equal to 100% of the principal amount of the Series 2008C Bonds or portion of such Series 2008C Bonds to be redeemed, plus accrued interest to the date of redemption.

Any such redemption shall be made upon written notice not less than thirty (30) days prior to the redemption date to the Registered Owners of the Series 2008C Bonds to be redeemed, in the manner and under the terms and conditions provided in the Bond Ordinance. On the date designated for redemption, notice having been given and moneys for payment of the redemption price being held by the Paying Agent, all as provided in the Bond Ordinance, the Series 2008C Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2008C Bonds on such date, interest on the Series 2008C Bonds so called for redemption shall cease to accrue, such Series 2008C Bonds shall cease to be entitled to any benefit or security under the Bond Ordinance, and the Registered Owners of such Series 2008C Bonds shall have no rights in respect of such Series 2008C Bonds except to receive payment of the redemption price. If less than all of one Series 2008C Bond is selected for redemption, the Registered Owner of such Series 2008C Bond or his legal representative shall present and surrender such Series 2008C Bond to the Paying Agent for payment of the principal amount of the Series 2008C Bond called for redemption, and the County shall execute and the Registrar shall authenticate and deliver to or upon the order of such Registered Owner or his legal representative, without charge, for the unredeemed portion of the principal amount of the old Series 2008C Bond, a new Series 2008C Bond of the same maturity, bearing interest at the same rate and of any denomination or denominations authorized by the Bond Ordinance.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Bond Ordinance, or to institute action to enforce the covenants contained in the Bond Ordinance, or to take any action with respect to any event of default under the Bond Ordinance, or to

institute, appear in or defend any suit or other proceeding, except as provided in the Bond Ordinance.

Modifications or alterations of the Bond Ordinance or of any amendatory or supplemental ordinance or resolution may be made only to the extent and in the circumstances permitted by the Bond Ordinance.

This Bond is transferable by the Registered Owner in person or by his attorney duly authorized in writing at the designated corporate trust office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new registered Series 2008C Bond or Series 2008C Bonds of the same maturity and interest rate and of authorized denomination or denominations for the same aggregate principal amount will be issued in exchange to the transferee.

The Registrar shall not be required to transfer or exchange any Series 2008C Bond during the period beginning on a Regular Record Date and ending on the succeeding interest payment date.

Each Series 2008C Bond delivered pursuant to any provision of the Bond Ordinance in exchange or substitution for, or upon the transfer of the whole or any part of one or more other Series 2008C Bonds, shall carry all of the rights to interest accrued and unpaid and to accrue that were carried by the whole or such part, as the case may be, of such one or more other Series 2008C Bonds, and notwithstanding anything contained in the Bond Ordinance, such Series 2008C Bonds shall be so dated or bear such notation, that neither gain nor loss in interest shall result from any such exchange, substitution or transfer.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based on this Bond or on the Bond Ordinance, against any member, officer or employee, past, present or future, of the County or of any successor body, as such, either directly or through the County or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability of such members, officers or employees being released as a condition of and as consideration for the enactment of the Master Ordinance and the adoption of the Series 2008C Resolution by the County and the issuance of this Bond.

The County, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner for the purpose of receiving payment of, or on account of, the principal of and the interest due on this Bond and for all other purposes; and neither the County, the Registrar nor the Paying Agent shall be affected by notice to the contrary except the due execution and delivery to the Registrar of the Certificate of Transfer set forth at the end of this Bond.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the Bond Ordinance to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed.

This Bond is not valid unless the Registrar's Certificate of Authentication endorsed on this Bond is duly executed.

IN WITNESS WHEREOF, Miami-Dade County, Florida has caused this Bond to be executed in its name and on its behalf by the facsimile signature of its Mayor and a facsimile of the seal to be printed hereon and attested by the facsimile signature of its Clerk and has caused this Bond to be dated as of _____.

MIAMI-DADE COUNTY, FLORIDA

[SEAL]

By: _____
Mayor

Attest: _____
Clerk of the Board of
County Commissioners

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the bonds of the Series designated herein, described in the within-mentioned Bond Ordinance.

_____,
as Registrar

By: _____
Authorized Signatory

Date of Authentication: _____

STATEMENT OF INSURANCE

CERTIFICATE OF TRANSFER

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto _____ (Tax Identification or Social Security No. _____) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common
TEN ENT -- as tenants by the entireties
JT TEN -- as joint tenants with rights of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian _____
(Cust) (Minor)

Under Uniform Gifts to Minors Act

_____
(State)

Additional abbreviations may also be used though not in the above list.

DRAFT-3
GrayRobinson, P.A.
October 14, 2008

EXHIBIT 2

$_____
MIAMI-DADE COUNTY, FLORIDA
Water and Sewer System Revenue Refunding Bonds
Series 2008C

BOND PURCHASE AGREEMENT

_____, 200__

Board of County Commissioners of
Miami-Dade County, Florida
111 Northwest First Street
Miami, Florida 33128-1995

Ladies and Gentlemen:

RBC Capital Markets Corporation (the "Senior Manager"), acting on behalf of itself and _____ (collectively, the "Co-Senior Managers") and _____ (collectively, the "Co-Managers", and together with the Senior Manager and the Co-Senior Managers, the "Underwriters") offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") with Miami-Dade County, Florida (the "County"), which, upon acceptance of this offer by the County, will be binding upon the County and the Underwriters. This offer is made subject to acceptance by the County by execution of this Bond Purchase Agreement and, if not so accepted, will be subject to withdrawal by the Underwriters upon written notice by the Senior Manager to the County at any time prior to its acceptance by the County.

The Senior Manager represents that it is authorized on behalf of itself and the other Underwriters to enter into this Bond Purchase Agreement and to take any other actions that may be required on behalf of the other Underwriters.

All capitalized terms not otherwise defined in this Bond Purchase Agreement shall have the same meanings as set forth in the Bond Ordinance, the Series 2008C Resolution or the Official Statement, as each are defined in this Bond Purchase Agreement.

1. Purchase and Sale of Bonds.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and covenants set forth in this Bond Purchase Agreement, the Underwriters, jointly and severally, agree to purchase from the County, and the County agrees to sell to the Underwriters on the Closing Date (as defined in this Bond Purchase Agreement), all but not less than all of the $_____ aggregate principal amount of Miami-Dade County,

Florida, Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"), at the aggregate purchase price of $_____ (representing the principal amount of the Series 2008C Bonds of $_____, plus [less] net original issue premium [discount] of $_____, and less Underwriters' discount of $_____). The Series 2008C Bonds shall be dated the date of delivery, bear interest at the rates, be sold to the public at the prices, and mature on the dates, all as set forth on attached Schedule I to this Bond Purchase Agreement. The Series 2008C Bonds shall be more fully described in the Preliminary Official Statement, dated _____, 200__, relating to the Series 2008C Bonds (the "Preliminary Official Statement"). Such Preliminary Official Statement as amended to delete preliminary language and reflect the final terms of the Series 2008C Bonds (as amended and supplemented prior to the Closing with such changes as shall be approved by the Finance Director, is herein referred to as the "Official Statement.")

The Underwriters agree to make a bona fide public offering of the Series 2008C Bonds, solely pursuant to the Official Statement, at the initial offering prices or yields set forth in the Official Statement, reserving, however, the right to change such initial offering prices or yields after the initial public offering as the Senior Manager shall deem necessary in connection with the marketing of the Series 2008C Bonds and to offer and sell the Series 2008C Bonds to certain dealers (including dealers depositing the Series 2008C Bonds into investment trusts) at concessions to be determined by the Senior Manager. The Underwriters also reserve the right to overallot or effect transactions that stabilize or maintain the market prices of the Series 2008C Bonds at levels above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time.

(b) The Series 2008C Bonds shall be issued under the authority granted by the Constitution and Laws of the State of Florida (the "State"), including without limitation, (i) Chapter 125 and Chapter 166, Florida Statutes, each as amended from time to time; (ii) the Home Rule Amendment and Charter of the County, as amended; (iii) the Code of the County, as amended; and (iv) Ordinance No. 93-134 enacted by the Board of County Commissioners of the County (the "Board") on November 16, 1993 (the "Master Ordinance") and Resolution No. R-___-08 adopted by the Board on October 21, 2008 (the "Series 2008C Resolution," and together with the Master Ordinance, the "Bond Ordinance"). The Series 2008C Bonds shall be substantially in the form described in the Bond Ordinance. The Underwriters, through the Senior Manager, have delivered to the County a disclosure letter containing the information required by Section 218.385, Florida Statutes, which letter is attached as Schedule II.

(c) The Series 2008C Bonds are being issued, together with other available funds of the Department, to: (i) refund all of the $295,240,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2005, all of which are currently outstanding (the "Series 2005 Bonds") and (ii) pay the costs of issuance of the Series 2008C Bonds.

(d) The County authorizes the Underwriters to use and distribute copies of the Official Statement and copies of the Series 2008C Resolution in connection with the public offering and sale of the Series 2008C Bonds.

(e) The County consents to and ratifies the use by the Underwriters of the Preliminary Official Statement for the purposes of marketing the Series 2008C Bonds in connection with the original public offer, sale and distribution of the Series 2008C Bonds by the Underwriters. As of its date, the Preliminary Official Statement was "deemed final" (except for permitted omissions) by the County for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule").

(f) The County shall deliver, or cause to be delivered, to the Underwriters copies of the final Official Statement (dated the date of this Bond Purchase Agreement) relating to the Series 2008C Bonds, and shall cause copies of the Official Statement, in sufficient quantity for the Underwriters to comply with Rule G-32 of the Municipal Securities Rulemaking Board and the Rule to be available to the Underwriters within seven (7) business days of the execution of this Bond Purchase Agreement (but in no event later than the Closing Date) and in sufficient time to accompany any confirmation that requests payment from any customer of the Underwriters. Delivery of such copies of the Official Statement as provided above shall constitute the County's representation that such Official Statement is complete as of the date of its delivery. The County agrees to deliver to the Underwriters such reasonable quantities of the Preliminary Official Statement and Official Statement and such reasonable quantities of the Series 2008C Resolution as the Underwriters may request for use in connection with the offering and sale of the Series 2008C Bonds. On or before the Closing Date, the Senior Manager shall file, or cause to be filed, the Official Statement with all nationally recognized municipal securities information repositories and the Municipal Securities Rulemaking Board.

2. Events Requiring Disclosure. If, after the date of this Bond Purchase Agreement and prior to the End of the Underwriting Period (as defined in Section 5(w)(i) below), any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the County shall notify the Underwriters thereof, and, if in the opinion of Disclosure Counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County will at its own expense forthwith prepare and furnish to the Underwriters a sufficient number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriters) which will supplement or amend the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances existing at such time, not misleading.

3. Good Faith Deposit. In connection with the execution of this Bond Purchase Agreement, the Senior Manager, on behalf of the Underwriters, has delivered to the County a wire transfer credited to the order of the County in immediately available federal funds in the aggregate amount equal to approximately two percent of the par value of the Series 2008C Bonds ($_____) (the "Good Faith Deposit"), which is being delivered to the County on account of the purchase price of the Series 2008C Bonds and as security for the performance by the Underwriters of their obligation to accept and to pay for the Series 2008C Bonds. If the County does not accept this offer, the Good Faith Deposit shall be immediately returned to the Senior Manager by wire transfer credited to the order of the Senior Manager in the amount of the Good Faith Deposit, in federal funds to the Senior Manager. In the event the Closing takes

place, the amount of the Good Faith Deposit shall be credited against the purchase price of the Series 2008C Bonds pursuant to Section 4. In the event of the County's failure to deliver the Series 2008C Bonds at the Closing, or if the County shall be unable at or prior to the Closing to satisfy the conditions to the obligations of the Underwriters contained in this Bond Purchase Agreement (unless such conditions are waived by the Senior Manager), or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase Agreement, the County shall immediately wire to the Senior Manager in federal funds the Good Faith Deposit without interest, and such wire shall constitute a full release and discharge of all claims by the Underwriters against the County arising out of the transactions contemplated by this Bond Purchase Agreement. In the event that the Underwriters fail other than for a reason permitted under this Bond Purchase Agreement to accept and pay for the Series 2008C Bonds upon their tender by the County at the Closing, the amount of the Good Faith Deposit shall be retained by the County and such retention shall represent full liquidated damages and not as a penalty, for such failure and for any and all defaults on the part of the Underwriters and the retention of such funds shall constitute a full release and discharge of all claims, rights and damages for such failure and for any and all such defaults. It is understood by both the County and the Underwriters that actual damages in the circumstances as described in the preceding sentence may be difficult or impossible to compute; therefore, the funds represented by the Good Faith Deposit are a reasonable estimate of the liquidated damages in this type of situation.

4. Closing. The Closing will occur before 1:00 p.m., Eastern Standard Time, on _____, 200__ or at such other time or on such earlier or later date as shall have been mutually agreed upon by the County and the Senior Manager. Prior to the Closing, the County shall deliver the Series 2008C Bonds in definitive form to the Underwriters, through the facilities of The Depository Trust Company ("DTC") utilizing the DTC Fast system of registration, bearing CUSIP numbers and duly executed and authenticated. The County has provided DTC with its blanket issuer letter of representations. The Senior Manager, on behalf of the Underwriters, will accept such delivery and pay the purchase price of the Series 2008C Bonds less the amount of the Good Faith Deposit and/or, at the written direction of the County, to the Paying Agent, by delivering to the County a wire transfer credited to the order of the County in immediately available federal funds. Payment for and delivery of the Series 2008C Bonds shall be made at such place as the County may designate in writing pursuant to the Series 2008C Resolution. Such payment and delivery is called the "Closing" and the date of the Closing is called the "Closing Date."

5. Representations, Warranties, and Covenants of the County. The County, by its acceptance of this Bond Purchase Agreement, represents, warrants and covenants to each of the Underwriters as of the date of this Bond Purchase Agreement that:

(a) The County is, and will be on the Closing Date, a political subdivision of the State of Florida (the "State") duly created and validly existing under the Constitution and laws of the State;

(b) The Board has full legal right, power and authority to: (i) adopt the Series 2008C Resolution and enact the Master Ordinance; (ii) execute and deliver this Bond Purchase Agreement and deliver the Official Statement; (iii) issue, sell, execute and deliver the Series 2008C Bonds to the Underwriters, as provided in this Bond Purchase Agreement; (iv) secure the

Series 2008C Bonds in the manner contemplated by the Bond Ordinance; and (v) carry out and consummate all other transactions contemplated by the preceding documents and instruments; provided, however, that no representation is made by the County concerning compliance with the federal securities laws or the state securities or Blue Sky laws or the legality of the Series 2008C Bonds for investment under the laws of the various states;

(c) The Board has duly adopted the Series 2008C Resolution and enacted the Master Ordinance, and has duly authorized or ratified: (i) the execution, delivery and performance of this Bond Purchase Agreement and the issuance, sale, execution and delivery of the Series 2008C Bonds; (ii) the delivery and distribution of the Preliminary Official Statement and the use, distribution and delivery of the Official Statement; and (iii) the taking of any and all such action as may be required on the part of the County to carry out, give effect to and consummate the transactions contemplated by the preceding documents and instruments; provided, however, that no representation is made by the County concerning compliance with the federal securities laws or securities or Blue Sky laws or the legality of the Series 2008C Bonds for investment under the laws of the various states;

(d) This Bond Purchase Agreement, when executed and delivered by the parties, will, and the Series 2008C Resolution and the Bond Ordinance do, constitute the legal, valid and binding obligations of the County enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally or subject to the exercise of the State's police power and to judicial discretion in appropriate cases;

(e) The County has complied, or will at Closing be in compliance, in all material respects with the Bond Ordinance;

(f) When paid for by the Underwriters at Closing in accordance with the provisions of this Bond Purchase Agreement, and when authenticated by the Registrar, the Series 2008C Bonds will be duly authorized, executed, issued and delivered and will constitute legal, valid and binding obligations of the County enforceable in accordance with their terms and the terms of the Bond Ordinance, except as may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally or subject to the exercise of the State's police power and to judicial discretion in appropriate cases;

(g) The Bond Ordinance create a valid pledge of and lien on the Pledged Revenues, on a parity basis with certain Outstanding Bonds, any future Bonds and with certain Hedge Obligations to the extent set forth in the Bond Ordinance;

(h) At Closing, all approvals, consents and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the issuance of the Series 2008C Bonds or the execution and delivery of or the performance by the County of its obligations under this Bond Purchase Agreement, the Series 2008C Bonds and the Bond Ordinance will have been obtained or made and any consents, approvals and orders so received or filings so made will be in full force and effect; provided, however, that no representation is made by the County concerning compliance with the federal securities laws or the securities or

Blue Sky laws of the various states or the legality of the Series 2008C Bonds for investment under the laws of the various states;

(i) Except as may be described in the Official Statement, the County is not in breach of or in default under any applicable law or administrative regulation of the State or the United States of America relating to the Department (as defined in the Official Statement), or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the County is a party or is otherwise subject, the consequence of which or the correction of which would materially and adversely affect the operations of the Department; and the execution and delivery of this Bond Purchase Agreement, the Series 2008C Bonds, the enactment of the Master Ordinance, and the adoption of the Series 2008C Resolution and compliance with the provisions of each of such agreements or instruments do not and will not conflict with or constitute a breach or violation of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the County is a party or is otherwise subject;

(j) Except as may be disclosed in the Official Statement, the enactment or adoption, as applicable, by the Board and performance by the County of the Bond Ordinance, and the authorization, execution, delivery and performance of its obligations under this Bond Purchase Agreement, the Series 2008C Bonds, and any other agreement or instrument to which the County is a party, used or contemplated for use in consummation of the transactions contemplated by this Bond Purchase Agreement or by the Official Statement, and, to the best of the County's knowledge, compliance with the provisions of each such instrument, do not and will not conflict with, or constitute or result in: (i) a violation of the Constitution of the State, or any existing law, administrative regulation, rule, decree or order, state or federal, or the Charter or the Code of Miami-Dade County, Florida, as amended; or (ii) a breach of or default under a material provision of any agreement, indenture, mortgage, lease, note or other instrument to which the County, or its properties or any of the officers of the County as such is subject; or (iii) the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the revenues, credit, property or assets of the County under the terms of the Constitution of the State or any law, instrument or agreement;

(k) The historical financial and statistical information contained in the Official Statement relating to the Pledged Revenues fairly represent the financial position and the Department's results of operations as of the dates and for the periods set forth in such historic financial statements and statistical information in accordance with generally accepted accounting principles applied consistently;

(l) Except as otherwise described in the Official Statement, there has not been any material adverse change since September 30, 2007 in the results of operations or financial condition of the Department or in the physical condition of the Department's properties relating to the County's qualifications to receive, and its actual receipt of, the Pledged Revenues, other than changes in the ordinary course of business of the Department;

(m) Between the time of the execution of this Bond Purchase Agreement by the County and the Closing, the County will not execute or issue any bonds or notes secured by the Pledged Revenues superior to or on a parity with the Series 2008C Bonds or the Outstanding Bonds, without the written consent of the Senior Manager;

(n) The County will furnish such information, execute such instruments and take such other action in cooperation with the Underwriters at the Underwriters' expense as the Senior Manager may reasonably request to qualify the Series 2008C Bonds for offer and sale and to determine the eligibility of the Series 2008C Bonds for investment under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Senior Manager may designate, provided that the County shall not be required to file a general consent to service of process or qualify to do business in any jurisdiction or become subject to service of process in any jurisdiction in which the County is not now subject to such service. It is understood that the County is not responsible for compliance with or the consequences of failure to comply with applicable Blue Sky or other state securities laws and regulations or the legality of the Series 2008C Bonds for investment under the laws of the various states;

(o) To the best of the County's knowledge and belief, other than as described in the Official Statement, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body pending, or, to the best knowledge of the County, threatened against or affecting the County: (i) to restrain or enjoin the issuance or delivery of any of the Series 2008C Bonds or the collection of the Pledged Revenues; (ii) in any way contesting or affecting: (1) the authority for the issuance of the Series 2008C Bonds; (2) the validity or enforceability of the Series 2008C Bonds, the Bond Ordinance and this Bond Purchase Agreement; or (3) the power of the Board to adopt the Series 2008C Resolution or enact the Master Ordinance and to execute and deliver the Series 2008C Bonds and this Bond Purchase Agreement and to consummate the transactions relating to the County contemplated by this Bond Purchase Agreement; (iii) in any way contesting the existence or powers of the County or the Board or the title to office of any member of the Board; or (iv) in any way contesting the completeness, accuracy or fairness of the Official Statement;

(p) The County will not knowingly take or omit to take any action, which action or omission would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2008C Bonds under the Internal Revenue Code of 1986, as amended;

(q) To the best of the County's knowledge, since December 31, 1975, the County has not been in default in the payment of principal of, redemption premium, if any, or interest on, any direct County indebtedness or other obligations in the nature of direct County indebtedness which it has issued, assumed or guaranteed as to payment of principal, redemption premium, if any, or interest, other than as described in the Official Statement;

(r) Any certificate signed by any official of the County and delivered to the Underwriters in connection with the issuance, sale and delivery of the Series 2008C Bonds shall be deemed to be a representation and warranty by the County to each of the Underwriters as to the statements made in such certificate;

(s) The description of the Series 2008C Bonds in the Official Statement conforms in all material respects to the Series 2008C Bonds;

(t) The County will apply the proceeds of the Series 2008C Bonds in accordance with the Series 2008C Resolution and as contemplated by the Official Statement;

(u) Neither the County nor anyone authorized to act on its behalf, directly or indirectly, has offered the Series 2008C Bonds for sale to, or solicited any offer to buy the Series 2008C Bonds from, anyone other than the Underwriters;

(v) All proceedings of the Board relating to the adoption of the Series 2008C Resolution and the enactment of the Master Ordinance, the approval of this Bond Purchase Agreement and the Official Statement, and the approval and authorization of the issuance and sale of the Series 2008C Bonds were, or will be prior to Closing, conducted at duly convened meetings of the Board with respect to which all required notices were duly given to the public at which quorums were at all material times present and no authority or proceeding for the issuance of the Series 2008C Bonds has been or will be repealed, rescinded, or revoked;

(w) (i) For the purposes of this Bond Purchase Agreement, the term "End of the Underwriting Period" shall mean the later of (1) the Closing, or (2) upon notice as described in subsection (z) below, the time at which the Underwriters do not retain an unsold balance of the Series 2008C Bonds for sale to the public.

(ii) The Preliminary Official Statement and the Official Statement and any amendments or supplements to each (including any financial and statistical data included in each) will at all times prior to and including the Closing Date and prior to the End of the Underwriting Period be true, correct and complete in all material respects and will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances in which they were made, not misleading.

(x) Prior to the execution of this Bond Purchase Agreement, the County delivered to the Underwriters copies of the Preliminary Official Statement which the County deemed final for purposes of the Rule as of the date of the Preliminary Official Statement, except for the omission of no more than the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery date, ratings, insurers and other terms of the Series 2008C Bonds depending on such matters;

(y) If the Official Statement is supplemented or amended pursuant to Section 2 of this Bond Purchase Agreement, or otherwise by the County, at the time of each supplement or amendment to the Official Statement and (unless subsequently again supplemented or amended pursuant to Section 2 of this Bond Purchase Agreement) at all times prior to the End of the Underwriting Period, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading; or

SS

(z) Unless otherwise notified in writing by the Underwriters on or prior to the Closing Date, the End of the Underwriting Period for the Series 2008C Bonds for all purposes of Section 2 above and Section 5(w)(i) above, is the Closing Date. In the event such notice is given in writing by the Underwriters, the Underwriters agree to notify the County in writing following the occurrence of the End of the Underwriting Period for the Series 2008C Bonds, provided that such period shall not extend beyond thirty (30) days following the Closing Date.

6. Conditions of Closing. The Underwriters have entered into this Bond Purchase Agreement in reliance on the representations, warranties and covenants of the County. The obligations of the Underwriters shall be subject to the performance by the County of its obligations to be performed at or prior to Closing, to the accuracy of and compliance with the representations, warranties and covenants of the County, in each such case as of the time of delivery of this Bond Purchase Agreement and as of Closing, and are also subject, in the discretion of the Senior Manager, to the following further conditions:

(a) At Closing: (i) the Bond Ordinance shall be in full force and effect and shall not have been repealed or amended in any material way since the date of this Bond Purchase Agreement unless agreed to by the Senior Manager; (ii) this Bond Purchase Agreement shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Senior Manager and the County; (iii) the County shall have taken all action and performed all of its obligations as shall, in the opinions of Squire, Sanders & Dempsey L.L.P., Miami, Florida and KnoxSeaton, Miami, Florida (collectively, "Bond Counsel") or Hunton & Williams LLP, Miami, Florida and the Law Offices Thomas H. Williams, Jr., P.L., Miami, Florida (collectively, "Disclosure Counsel") or GrayRobinson, P.A., Miami, Florida ("Counsel to the Underwriters"), be necessary in connection with the transaction contemplated by the Series 2008C Resolution, the Series 2008C Bonds and this Bond Purchase Agreement; (iv) the Series 2008C Bonds shall have been duly authorized, executed and delivered; and (v) the Official Statement shall not have been amended, modified or supplemented, except as provided in Section 2 of this Bond Purchase Agreement.

(b) At or prior to the Closing Date, the Underwriters shall have received the following:

(i) The opinion of the Office of the Miami-Dade County Attorney, dated the Closing Date, substantially in the form attached as Exhibit "A" to this Bond Purchase Agreement;

(ii) The final approving opinions of Bond Counsel, dated the Closing Date, in substantially the form attached to the Official Statement as Appendix D;

(iii) The opinion of Counsel to the Underwriters, dated the Closing Date, to the effect that the Series 2008C Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Series 2008C Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(iv) The supplemental opinions of Bond Counsel, dated the Closing Date, substantially in the form attached as Exhibit "B" to this Bond Purchase Agreement; and

(v) The opinion of Disclosure Counsel, addressed to the Underwriters, dated the Closing Date, in substantially the form attached as Exhibit "C" to the Bond Purchase Agreement.

(c) At Closing, the Underwriters shall receive a certificate, dated the Closing Date, signed by the Finance Director, the Director of the Department and a Deputy Clerk of the County, to the effect that, to the best of their knowledge, information and belief: (i) the representations and warranties of the County contained in the Bond Purchase Agreement are true and correct in all material respects as of the Closing Date as if made on the Closing Date; and (ii) the County has performed all obligations to be performed under the Bond Purchase Agreement as of the Closing Date;

(d) At Closing, the Underwriters shall receive a copy of the Bond Ordinance, certified by the Ex-Officio Clerk or Deputy Clerk of the Board as true and correct copies of the originals, as currently in full force and effect and as not having been otherwise amended since their adoption, except as provided in this Bond Purchase Agreement;

(e) At Closing, the Underwriters shall receive letters from Moody's Investors Service, Inc. ("Moody's"), Standard & Poor's Rating Services ("S&P") and Fitch Inc. ("Fitch") confirming the underlying ratings on the Series 2008C Bonds of "___" by Moody's, "___" by S&P and "___" by Fitch and that all such ratings are in effect on the Closing Date;

(f) At Closing, the Underwriters shall receive two (2) copies of the Official Statement;

(g) Within a reasonable period after Closing, the Underwriters shall receive one (1) transcript of the proceedings (hard copy or CD) relating to the authorization and issuance of the Series 2008C Bonds that shall include certified or executed copies of the Bond Ordinance, this Bond Purchase Agreement;

(h) At Closing, the Underwriters shall receive such additional legal opinions, certificates (including such certificates as may be required by regulations of the Internal Revenue Service under Section 103 and Sections 141-150 of the Code in order to establish the exclusion from gross income, for federal income tax purposes, of the interest on the Series 2008C Bonds, which certificates shall be satisfactory in form and substance to Bond Counsel) and other evidence as the Senior Manager, Bond Counsel, or Counsel to the Underwriters may reasonably deem necessary, provided such additional legal opinions, certificates and other evidence are requested by the Senior Manager at least one (1) business day before Closing.

The foregoing opinions, certificates and other evidence shall be in form and substance reasonably satisfactory to the Senior Manager, including but not limited to, any certifications contained in any omnibus certificate delivered by the County in connection with the Closing.

If the County shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Bond Purchase Agreement, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Underwriters nor the County shall

be under any further obligation or liability to the other, except as provided in Section 8 and except that the Good Faith Deposit shall be returned to the Senior Manager by the County as provided in Section 3.

7. Termination of Bond Purchase Agreement. The Senior Manager may terminate this Bond Purchase Agreement, in its absolute discretion, without liability, by written notification to the County, if at any time subsequent to the date of this Bond Purchase Agreement and prior to the Closing:

(a) The marketability of the Series 2008C Bonds, in the reasonable opinion of the Senior Manager, has been materially adversely affected by an amendment to the Constitution of the United States of America or by any legislation (other than any actions taken by either House of Congress on or prior to the date of this Bond Purchase Agreement): (i) enacted or adopted by the United States of America; (ii) recommended to the Congress or otherwise endorsed for passage, by press release, other form of notice or otherwise, by the President of the United States of America, the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, the Treasury Department of the United States of America or the Internal Revenue Service; or (iii) favorably reported out of the appropriate Committee for passage to either House of the Congress by any full Committee of such House to which such legislation has been referred for consideration, or by any decision of any court of the United States of America or by any order, rule or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States of America, the Internal Revenue Service or any other authority or regulatory body of the United States of America, or by a release or announcement or communication issued or sent by the Treasury Department or the Internal Revenue Service of the United States of America, or any comparable legislative, judicial or administrative development adversely affecting the federal tax status of the County, its property or income, obligations of the general character of the Series 2008C Bonds, or any tax exemption of the Series 2008C Bonds; or

(b) Any legislation, rule, or regulation shall be introduced in, or be enacted or adopted by any department or agency in the State, or a decision by any court of competent jurisdiction within the State shall be rendered which, in the reasonable opinion of the Senior Manager, materially adversely affects the market for the Series 2008C Bonds or the sale, at the contemplated offering prices, by the Underwriters of the Series 2008C Bonds to be purchased by them; or

(c) Any amendment or supplement to the Official Statement is proposed by the County or deemed necessary by Bond Counsel or Disclosure Counsel which, in the reasonable opinion of the Senior Manager, materially adversely affects the market for the Series 2008C Bonds or the sale, at the prices stated in this Bond Purchase Agreement, by the Underwriters of the Series 2008C Bonds; or

(d) Legislation shall be enacted or adopted, or any action shall be taken by, or on behalf of, the United States Securities and Exchange Commission (the "Commission") which, in the reasonable opinion of Counsel to the Underwriters, has the effect of requiring the contemplated distribution of the Series 2008C Bonds to be registered under the Securities Act of

1933, as amended, or the Series 2008C Resolution to be qualified under the Trust Indenture Act of 1939, as amended, or any laws analogous thereto relating to governmental bodies, and compliance therewith cannot be accomplished prior to the Closing; or

(e) Legislation shall be introduced by amendment or otherwise in or be enacted by, the House of Representatives or the Senate of the Congress of the United States of America, or a decision by a Court of the United States of America shall be rendered, or a stop order, ruling, release, regulation, official statement or no-action letter by or on behalf of the Commission or any other governmental agency having jurisdiction of the subject matter of the Series 2008C Bonds shall have been proposed, issued or made (which is beyond the control of the Senior Manager or the County to prevent or avoid) to the effect that the issuance, offering or sale of the Series 2008C Bonds, including all the underlying obligations as contemplated by this Bond Purchase Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2008C Bonds is or would be in violation of any of the federal securities laws at Closing, including the Securities Act of 1933, as amended and then in effect, the Securities Exchange Act of 1934, as amended and then in effect, or the Trust Indenture Act of 1939, as amended and then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of obligations of the general character of the Series 2008C Bonds, as contemplated by this Bond Purchase Agreement; or

(f) There shall have occurred, after the signing of this Bond Purchase Agreement, either a financial crisis or a default with respect to any debt obligation of the County, or proceedings under the federal or State bankruptcy laws shall have been instituted by the County, in either case the effect of which, in the reasonable judgment of the Senior Manager, is such as to materially and adversely affect (i) the market price or the sale at the offering prices as stated in this Bond Purchase Agreement, by the Underwriters of the Series 2008C Bonds, or (ii) the ability of the Underwriters to enforce contracts for the sale of the Series 2008C Bonds; or

(g) A general banking moratorium shall have been declared by the United States of America, New York or State authorities, which in the reasonable opinion of the Senior Manager, materially adversely affects the market price for the Series 2008C Bonds or the sale, at the contemplated offering prices, by the Underwriters of the Series 2008C Bonds; or

(h) Any national securities exchange, or any governmental authority, shall impose, as to the Series 2008C Bonds or any obligation of the general character of the Series 2008C Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of the Underwriters, or the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange; or

(i) Legal action shall have been filed against the County from which an adverse ruling would materially adversely affect the transactions contemplated by this Bond Purchase Agreement or by the Official Statement or the validity of the Series 2008C Bonds, the Series 2008C Resolution or this Bond Purchase Agreement; provided, however, that as to any such litigation, the County may request and the Senior Manager may accept an opinion by Bond Counsel, or of other counsel acceptable to the Senior Manager, that in such counsel's opinion the

issues raised by any such litigation or proceeding are without substance or that the contentions of any plaintiffs are without merit; or

(j) Trading in any securities of the County shall have been suspended on any national securities exchange; or any proceeding shall be pending or threatened by the Commission against the County; or a general suspension of trading on the New York Stock Exchange or the American Stock Exchange or other national securities exchange, the effect of which, in the opinion of the Senior Manager, is to affect materially and adversely the market prices of the Series 2008C Bonds; or

(k) Any information shall have become known or an event shall have occurred which, in the Senior Manager's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Official Statement, as that information has been supplemented or amended, or causes the Official Statement, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required or necessary to be stated in the Official Statement in order to make the statements made in the Official Statement, in light of the circumstances under which they were made, not misleading and upon the receipt of notice of same by the County, (i) the County fails to promptly amend or supplement the Official Statement in a manner which is reasonably acceptable in form and content to the Senior Manager, or (ii) the County agrees to the proposed amendment, and such disclosed information or event in the reasonable opinion of the Senior Manager (upon due inquiry by the Senior Manager and the County's Financial Advisor as to the effect such information or event has on the market price of the Series 2008C Bonds or their sale at the prices stated in this Bond Purchase Agreement), materially adversely affects the market price for the Series 2008C Bonds or their sale, at the prices stated in this Bond Purchase Agreement, and the County's Financial Advisor concurs in such conclusion; or

(l) There shall have occurred an outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis after the execution of this Bond Purchase Agreement which, in the sole but reasonable opinion of the Senior Manager, would have a material adverse affect on the market price of the Series 2008C Bonds or their sale at the prices stated in this Bond Purchase Agreement; or

(m) Trading in securities generally on the New York Stock Exchange shall have been suspended or limited or minimum prices shall have been established on such Exchange; or

(n) any underlying or insured rating of the Series 2008C Bonds is reduced or withdrawn or placed on a Credit Watch with negative implications or a similar alert by a national rating service.

8. Expenses.

(a) The County agrees to pay all expenses incident to the performance of its obligations under this Bond Purchase Agreement, including, but not limited to: (i) the cost of the preparation, printing or other reproduction (for distribution prior to, on, or after the date of

acceptance of this Bond Purchase Agreement) of copies of the Preliminary Official Statement and Official Statement; (ii) charges made by rating agencies for the rating of the Series 2008C Bonds; (iii) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Financial Advisor and of any other experts or consultants retained by the County; (iv) the cost of any consent letters, statements or certificates delivered by the County's accountants or consultants; (v) certain costs of issuance of the Series 2008C Bonds; and (vi) out-of-pocket expenses of the County.

(b) The Underwriters shall pay all expenses incident to the performance of their obligations under this Bond Purchase Agreement, including, but not limited to: (i) the cost of delivering the Series 2008C Bonds from New York, New York, to the purchasers; (ii) the fees and disbursements of Counsel to the Underwriters; and (iii) all other expenses incurred by them or any of them in connection with their offering and distribution of the Series 2008C Bonds, including the preparation, printing and separate distribution, if any, of the Blue Sky memoranda and legal investment surveys, if any.

(c) Except as otherwise specifically set forth in this Bond Purchase Agreement, in the event either the County or the Underwriters shall have paid obligations of the other as set forth in this Section, appropriate reimbursements and adjustments shall be made.

9. Truth in Bonding Statement. The County is proposing to issue the Series 2008C Bonds, the proceeds of which, together with other legally available funds of the Department will (i) refund all of the Series 2005 Bonds and (ii) pay the costs of issuance of the Series 2008C Bonds.

The debt or obligation created by the Series 2008C Bonds is expected to be repaid over a period of approximately ____ years. At a true interest cost (TIC) of _____%, the total interest paid over the life of the debt or obligation will be $_____. The source of repayment or security for this proposal to issue the Series 2008C Bonds is exclusively limited to the Pledged Revenues. Authorizing the Series 2008C Bonds will result in an average of $_____ of Pledged Revenues not being available to finance other water and sewer projects of the County each year for approximately _____ years.

10. Public Entity Crimes. The Underwriters represent that each of them, including its employees, officers, directors, executives, partners, shareholders or agents who are active in the management of the entity, have not been charged with and convicted of a public entities crime pursuant to Section 287.133, Florida Statutes.

11. Miscellaneous.

(a) All notices, demands and formal actions shall be in writing and mailed, telegraphed, or delivered to:

The Underwriters:

RBC Capital Markets Corporation
as Senior Manager and Representative of the Underwriters
100 2nd Avenue South, Suite 800
St. Petersburg, Florida 33701
Attention: Richard Montalbano, Managing Director

The County:

Miami-Dade County
Stephen P. Clark Center
111 N.W. First Street, Suite 2550
Miami, Florida 33128-1995
Attention: Finance Director

(or such other addresses as may be designated in writing to the other party).

(b) This Bond Purchase Agreement will inure to the benefit of and be binding upon the parties and their successors and assigns, and will not confer any rights upon any other person. The terms "successors" and "assigns" shall not include any purchaser of any of the Series 2008C Bonds from the Underwriters merely because of such purchase.

(c) All the representations, warranties, covenants and agreements of the County in this Bond Purchase Agreement shall remain operative and in full force and effect as if made on the date of this Bond Purchase Agreement and the Closing Date, regardless of (i) any investigation made by or on behalf of any of the Underwriters, or (ii) delivery of and any payment for the Series 2008C Bonds.

(d) The agreements contained in Sections 3 and 8 shall survive any termination of this Bond Purchase Agreement.

(e) Section headings have been inserted in this Bond Purchase Agreement as a matter of convenience of reference only and it is agreed that such section headings are not a part of this Bond Purchase Agreement and will not be used in the interpretation of any provisions of this Bond Purchase Agreement.

(f) If any provision of this Bond Purchase Agreement shall be held or deemed to be, or shall in fact be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, or rule of public policy, or for any other reasons, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

(g) This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(h) This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

(i) This Bond Purchase Agreement shall become effective upon the execution by the appropriate County officials of the acceptance of this Bond Purchase Agreement by the County and shall be valid and enforceable at the time of such acceptance.

[Signature page for Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C, Bond Purchase Agreement]

SENIOR MANAGER, on behalf of the Underwriters:

RBC CAPITAL MARKETS CORPORATION

By:_____
Name: Richard Montalbano
Title: Managing Director

[Signature page for Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C, Bond Purchase Agreement]

Accepted as of the date first above written.

MIAMI-DADE COUNTY, FLORIDA

By: _____
_____, Finance Director

Approved as to form and legal sufficiency:

By: _____
Assistant County Attorney

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SCHEDULE I

$_____
MIAMI-DADE COUNTY, FLORIDA
WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS
SERIES 2008C

Maturity Date (October 1)	Principal Amount	Initial CUSIP No.	Interest Rate	Yield

NET TO COUNTY AT CLOSING

Par Amount of Bonds	$_____
Plus: [Less] Net Original Issue Premium [Discount]	_____
Less: Underwriters' Discount	_____
Less: Good Faith Deposit	_____
Net to County	**$** _____

SCHEDULE II

DISCLOSURE LETTER

_____, 200__

Board of County Commissioners of
Miami-Dade County, Florida
111 Northwest First Street
Miami, Florida 33128-1995

$_____
MIAMI-DADE COUNTY, FLORIDA
Water and Sewer System Revenue Refunding Bonds
Series 2008C

Ladies and Gentlemen:

Pursuant to Section 218.385, Florida Statutes, and in reference to the issuance by Miami-Dade County, Florida (the "County") of the Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"), RBC Capital Markets Corporation (the "Senior Manager"), acting on behalf of itself and _____ (collectively, the "Co-Senior Managers") and _____ (collectively, the "Co-Managers", and together with the Senior Manager and the Co-Senior Managers, the "Underwriters") offers to enter into this Bond Purchase Agreement (the "Bond Purchase Agreement") dated _____, 200__, by and among the Underwriters and the County, makes the following disclosures to the County.

The Underwriters are acting as investment bankers to the County for the public offering of the Series 2008C Bonds issued in the aggregate principal amount of $_____. The underwriters' discount to be paid to the Underwriters for the Series 2008C Bonds is $_____.

1. Expenses estimated to be incurred by the Underwriters in connection with the issuance of the Series 2008C Bonds:

	Dollar Amount	**Per Bond**
Underwriters' Counsel		
CUSIP		
SIFMA		
Travel and Communication		
DALCOMP/DALNET		
DTC		
Day Loan		
TOTAL		

2. Names, addresses and estimated amounts of compensation of any person who is not regularly employed by, or not a partner or officer of, an underwriter, bank, banker or financial consultant or advisor and who enters into an understanding with either the County or the Underwriters, directly, expressly or impliedly, to act solely as an intermediary between the

County and the Underwriters for the purpose of influencing any transaction in the purchase of the Series 2008C Bonds:

None

3. The amount of underwriting spread expected to be realized:

	Dollar Amount	**Per Bond**
Average Takedown		
Expenses		
Management Fee		
Total		

* Total may not add due to rounding.

4. Any other fee, bonus and other compensation estimated to be paid by the Underwriters in connection with the Series 2008C Bonds to any person not regularly employed or retained by the Underwriters:

None

5. The name and address of the Underwriters connected with the Series 2008C Bonds:

See attached list

[Signature page for Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C, Bond Purchase Agreement – Schedule II – Disclosure Letter]

Very truly yours,

RBC CAPITAL MARKETS CORPORATION, on behalf of the Underwriters

By:_____
Name: Richard Montalbano
Title: Managing Director

NAMES AND ADDRESSES OF THE UNDERWRITERS

Senior Manager:

RBC Capital Markets Corporation
100 2nd Avenue South, Suite 800
St. Petersburg, Florida 33701

Co-Senior Managers:

Co-Managers:

EXHIBIT A

FORM OF MIAMI-DADE COUNTY ATTORNEY OPINION

_____, 200__

Board of County Commissioners of
Miami-Dade County, Florida
111 Northwest First Street
Miami, Florida 33128-1995

RBC Capital Markets Corporation
as Senior Manager and Representative of the Underwriters
100 2nd Avenue South, Suite 800
St. Petersburg, Florida 33701

$_____
MIAMI-DADE COUNTY, FLORIDA
Water and Sewer System Revenue Refunding Bonds
Series 2008C

Ladies and Gentlemen:

This letter shall serve as the opinion of the Office of the Miami-Dade County Attorney of Miami-Dade County, Florida (the "County"), pursuant to Section 6(b)(i) of the Bond Purchase Agreement by and between the County and the Underwriters, dated _____, 200__ (the "Bond Purchase Agreement"). We have participated in various proceedings in connection with the issuance by the County of the Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C, issued in the aggregate principal amount of $_____ (the "Series 2008C Bonds"). All terms not otherwise defined shall have the meaning ascribed to them in the Bond Purchase Agreement.

We are of the opinion that:

(a) The County is a political subdivision of the State of Florida, duly organized and validly existing under the Constitution and laws of the State of Florida;

(b) The Series 2008C Resolution is a valid resolution of the County, and the Master Ordinance is a valid ordinance of the County, duly adopted or enacted, as applicable, by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") at meetings, duly noticed, called and held in accordance with the Constitution and laws of the State of Florida;

(c) The Series 2008C Bonds and the Bond Purchase Agreement have been duly authorized, executed and delivered by the County and assuming valid authorization, execution and delivery by the other parties to such agreements constitute valid and legally binding limited obligations of the County. The Series 2008C Bonds and the Bond Purchase Agreement are enforceable in accordance with their terms. No representation is made concerning compliance with the federal securities laws or the securities or blue sky laws of the various states;

(d) No litigation or other proceedings are pending or, to our knowledge, threatened in any court or other tribunal, state or federal, against the County (i) restraining or enjoining, or seeking to restrain or enjoin, the issuance, sale, execution or delivery of any of the Series 2008C Bonds or collection of the Pledged Revenues, or (ii) in any way questioning or affecting the validity or enforceability of any provision of the Series 2008C Bonds, the Bond Ordinance or the Bond Purchase Agreement, or (iii) in any way questioning or affecting the validity of any of the proceedings or authority for authorization, sale, execution or delivery of the Series 2008C Bonds, or of any provision, program, or transactions made or authorized for their payment, or the refunding or redemption of the Series 2005 Bonds, or (iv) questioning or affecting the organization of the County or title of its officers to their respective offices, except as described in the Official Statement;

(e) The adoption or enactment, as applicable, by the Board and performance by the County of the Bond Ordinance, and the authorization, execution, delivery and performance of the Bond Purchase Agreement and the Series 2008C Bonds and any other agreement or instrument to which the County is a party, used or contemplated by the Bond Purchase Agreement, the Bond Ordinance, or by the Official Statement, and compliance with the provisions of each such instrument do not and will not conflict with, or violate the Constitution of the State of Florida, the Code of Miami-Dade County, Florida, as amended, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, or any existing state law, administrative regulation, rule, decree or order, or to the best of my knowledge, constitute or result in a breach of or default under a material provision of any agreement or instrument to which the County or its properties or any of the officers of the County are subject or result in the creation or imposition of any prohibited lien, charge, or encumbrance, of any nature whatsoever upon any of the terms of the Constitution of the State of Florida, any law or, to the best of my knowledge, any instrument or agreement;

(f) The statements contained in the Official Statement under the caption "LITIGATION" insofar as the statements contained therein under such headings purport to summarize certain legal matters relating to the County, fairly and accurately present the information purported to be summarized therein; and

(g) The Board has duly approved the use and distribution of the Official Statement at the meeting wherein the Series 2008C Resolution was adopted and has duly authorized such changes, insertions and omissions as may be approved by an authorized official of the County.

The opinions expressed in this letter are generally qualified as follows:

(a) All opinions relating to enforceability with respect to the County are subject to and limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws, in each case relating to or affecting the enforcement of creditors' rights, generally, and equitable principles that may affect remedies or injunctive or other equitable relief.

(b) All opinions are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions if such laws, facts or circumstances change after the date of this opinion.

(c) We do not express any opinion concerning any law other than the law of the State of Florida and the laws of the United States.

No opinion is expressed as to the requirements of any federal laws which may govern the issuance, offering and sale of the Series 2008C Bonds, except as specifically set forth herein, or which may govern the exclusion from income for federal income tax purposes of the interest on the Series 2008C Bonds.

Respectfully submitted,

MIAMI-DADE COUNTY ATTORNEY'S OFFICE

By: _____
Assistant County Attorney

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

_____, 200__

RBC Capital Markets Corporation
as Senior Manager and Representative of the Underwriters
100 2nd Avenue South, Suite 800
St. Petersburg, Florida 33701

Re: $_____ Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the issuance and sale by Miami-Dade County, Florida (the "County") of its $_____ Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"). At your request, we render this supplemental opinion to you.

All terms used in this opinion in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to those terms pursuant to Ordinance No. 93-134 enacted by the Board of County Commissioners of the County (the "Board") on November 16, 1993 (the "Master Ordinance") and Resolution No. R-___-08 adopted by the Board on October 21, 2008 (the "Series 2008C Resolution").

The opinions expressed herein are supplemental to and are subject to all qualifications and limitations contained in our bond counsel opinion rendered to the County as of the date hereof pertaining to the Series 2008C Bonds (the "Bond Counsel Opinion").

1. The addressee of this letter is entitled to rely on the Bond Counsel Opinion as if such opinion was addressed to it.

2. We have reviewed the statements contained in the final Official Statement relating to the Series 2008C Bonds dated _____, 200__ (the "Official Statement") and included in the closing transcript with respect thereto under the sections captioned "DESCRIPTION OF THE SERIES 2008C BONDS" and "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2008C BONDS" (other than information pertaining to DTC and its Book-Entry-Only System) and believe that, insofar as such statements purport to summarize certain provisions of the Master Ordinance, the Series 2008C Resolution and the Series 2008C Bonds, such statements present an accurate summary of the provisions thereof purported to be summarized. We have also reviewed the statements contained in the Official Statement under the section captioned "TAX MATTERS" and believe that such statements are accurate.

Other than as set forth above, we express no opinion with respect to the accuracy, completeness, fairness or sufficiency of the Official Statement referred to above, the statistical or financial data contained therein, or any appendices, exhibits or attachments thereto.

In connection with the opinion set forth above, we have not verified the accuracy of the representations, assumptions or calculations made by any of the parties to this transaction, nor have we investigated or verified the accuracy of any facts or circumstances applicable to such opinion and have, with your permission, relied exclusively on the statements of such parties.

This letter is furnished by us solely for your benefit in connection with the issuance of the Series 2008C Bonds and may not be relied upon by any other person.

Sincerely yours,

SQUIRE, SANDERS & DEMPSEY L.L.P.
KNOXSEATON

EXHIBIT C

FORM OF SUPPLEMENTAL OPINION OF DISCLOSURE COUNSEL

_____, 200__

RBC Capital Markets Corporation,
as Senior Manager and Representative of the Underwriters
St. Petersburg, Florida

$_____
MIAMI-DADE COUNTY, FLORIDA
Water and Sewer System Revenue Refunding Bonds
Series 2008C

Ladies and Gentlemen:

We have acted in the limited role of disclosure counsel to Miami-Dade County, Florida (the "Issuer"), in connection with the issuance by the Issuer of $_____ principal amount of its Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"), pursuant to Ordinance No. 93-134 (the "Master Ordinance") enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on November 16, 1993 and Resolution No. R-____-08 adopted by the Board on October 21, 2008 (collectively, the "Series 2008C Resolution," and together with the Master Ordinance, the "Series 2008C Bond Documents"). This letter is furnished to you pursuant to the Series 2008C Bond Documents and that certain Bond Purchase Agreement, dated _____, 200__, between the Issuer and the Underwriters. All capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Series 2008C Bond Documents.

For purposes of the opinions expressed in this opinion letter, which are set forth in paragraphs (a) and (b) below (the "Opinions"), we have examined the following:

1. A certified copy of the Master Ordinance.

2. A certified copy of the Series 2008C Resolution.

3. A copy of the final Official Statement, dated _____, 200__, relating to the Series 2008C Bonds (the "Official Statement").

4. Certificates, dated the date hereof, of certain officers of the Issuer delivered in connection with the issuance of the Series 2008C Bonds.

The scope of our engagement has been limited as described in this letter and has not included any independent review or investigation of factual or other matters, including the organization, existence, good standing, assets, business or affairs of the Issuer. In fact, we have relied on representations contained in the certificates of certain officers of the Issuer as to these and other matters within the knowledge of the Issuer and have assumed the accuracy, completeness and authenticity of such certificates, which we have not independently verified. Similarly, to the extent that we have examined records, documents, agreements and certifications related to the Series 2008C Bonds or the transactions contemplated by the Official Statement, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the accuracy and completeness of all documents submitted to us, the authenticity of all original documents and the conformity to authentic original documents of all documents submitted to us as copies (including telecopies). We have also reviewed and are relying upon the delivery of opinion letters dated of even date herewith of (i) Squire, Sanders & Dempsey L.L.P. and KnoxSeaton, Bond Counsel to the Issuer, and (ii) the Office of the Miami-Dade County Attorney. The Opinions expressed herein are based as to matters of law solely on the federal securities laws, and we express no opinion as to any other laws, statutes, ordinances, rules or regulations (including, without limitation, any federal or state tax laws or regulations or state securities or "blue sky" laws or regulations). This opinion letter is given, and all statements herein are made, in the context of the foregoing.

Based upon, subject to and limited by the foregoing, it is our opinion, as of the date hereof and under existing law, that:

(a) The Series 2008C Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended.

(b) The Series 2008C Bond Documents are exempt from qualification under the Trust Indenture Act of 1939, as amended.

* * * * *

During the course of the preparation of the Official Statement, we participated in conferences with the Issuer's representatives and its counsel, and with Bond Counsel. Our procedures followed in assisting in the preparation of the Official Statement and our review of it did not constitute an independent investigation of information furnished to us by the Issuer or by others in connection with the preparation of the Official Statement or an independent evaluation of the materiality to the Issuer, the Issuer's business, or the offering of any information whether or not described in the Official Statement. While we have not undertaken to determine independently, and we do not assume any responsibility for, the accuracy, completeness, or fairness of the statements in the Official Statement, we state on the basis of these conferences and our review of the documents furnished to us that no facts have come to the attention of the attorneys in our firm working on this matter that causes us to believe that the Official Statement (other than the information listed below as to which we express no view) contains an untrue statement of material fact or omits to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. We express no view as to the information set forth in the Official Statement under

the captions "DESCRIPTION OF THE SERIES 2008C BONDS – Book-Entry Only System," "TAX MATTERS," and "LITIGATION," and in the tax header on the cover page of the Official Statement, and in Appendices A, B, C, D and F or as to any other financial and statistical information or data included or incorporated by reference in the Official Statement or omitted therefrom, and any other information concerning DTC included or incorporated by reference in the Official Statement or omitted therefrom.

* * * * *

We call your attention to the fact that, in our limited role of disclosure counsel to the Issuer, our responsibility to and representation of the Issuer is limited to those specific matters as to which our attention was required for the purpose of providing the advice described above. We express no view as to the validity or exemption of the interest on the Series 2008C Bonds from federal or state income taxation, the qualification of the Series 2008C Bonds for sale in any jurisdictions or any matters other than those specifically addressed herein.

We assume no obligation to advise you of any changes in the foregoing subsequent to the delivery of this opinion letter. There should no implication, by virtue of this letter, that we have advised you or anyone other than the Issuer as to disclosures contained in the Official Statement relating to the Series 2008C Bonds. This letter has been prepared solely for your use in the connection with your purchase of the Series 2008C Bonds under the Series 2008C Bond Documents, and may not be relied upon by you or any other person or entity in connection with the future resale or transfer of the Series 2008C Bonds, or quoted in whole or in part or otherwise referred to, nor be filed with or furnished to or relied upon by any governmental agency or other person or entity, without the prior written consent of this firm.

Very truly yours,

EXHIBIT 3

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2008

NEW ISSUE-BOOK ENTRY ONLY **RATINGS: *See* "RATINGS" herein**

In the opinion of Squire, Sanders & Dempsey L.L.P. and KnoxSeaton, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2008C Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Series 2008C Bonds and income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Interest on the Series 2008C Bonds may be subject to certain federal taxes imposed only on certain corporations, including the corporate alternative minimum tax on a portion of that interest. For a more complete discussion of the tax aspects, see "TAX MATTERS" in this Official Statement.

$_____*

MIAMI-DADE COUNTY, FLORIDA
Water and Sewer System Revenue Refunding Bonds
Series 2008C

Dated: Date of Delivery **Due: October 1, as shown on the inside cover page**

The Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C(the "Series 2008C Bonds") will be issued by Miami-Dade County, Florida (the "County") as fully-registered bonds in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2008C Bonds. Since purchases of beneficial interests in the Series 2008C Bonds will be made in book-entry only form in denominations of $5,000 or any integral multiple of $5,000, beneficial owners will not receive physical delivery of bond certificates. Interest on the Series 2008C Bonds will be payable semi-annually on April 1 and October 1 of each year, commencing [April 1, 2009]. Payments of the principal of, and interest on the Series 2008C Bonds will be payable at the designated office of _____, as Paying Agent and Registrar for the Series 2008C Bonds. As long as DTC or its nominee is registered owner of the Series 2008C Bonds, payments of the principal of and interest on the Series 2008C Bonds will be made directly to DTC or its nominee. *See* "DESCRIPTION OF THE SERIES 2008C BONDS – Book-Entry Only System" in Official Statement.

The Series 2008C Bonds are subject to optional redemption prior to maturity as described herein.

The proceeds of the Series 2008C Bonds, together with other available funds of the Department, will be used to: (i) refund all of the County's Water and Sewer System Revenue Bonds, Series 2005, and (ii) pay the costs of the issuance of the Series 2008C Bonds, including the payment of the allocable share of the premiums for a municipal bond insurance policy and a Reserve Account Credit Facility.

THE SERIES 2008C BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM AND SECURED SOLELY BY THE PLEDGED REVENUES. THE SERIES 2008C BONDS DO NOT CONSTITUTE AN INDEBTEDNESS, LIABILITY, GENERAL OR MORAL OBLIGATION, OR A PLEDGE OF THE FAITH, CREDIT OR POWER OF THE COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION. NEITHER THE STATE OF FLORIDA NOR ANY POLITICAL SUBDIVISION OF THE STATE OF FLORIDA NOR THE COUNTY SHALL BE DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY ANY AD VALOREM TAXES ON ANY PROPERTY TO PAY PRINCIPAL OF, OR THE INTEREST ON, THE SERIES 2008C BONDS OR OTHER RELATED COSTS, OR TO PAY THE SAME FROM ANY OTHER FUNDS OF THE COUNTY EXCEPT FROM THE PLEDGED REVENUES. THE ACCEPTANCE OF THE SERIES 2008C

* Preliminary, subject to change.

BONDS BY THE REGISTERED OWNERS FROM TIME TO TIME OF THE SERIES 2008C BONDS WILL BE DEEMED AN AGREEMENT BETWEEN THE COUNTY AND SUCH REGISTERED OWNERS THAT THE SERIES 2008C BONDS AND THE INDEBTEDNESS EVIDENCED BY THE SERIES 2008C BONDS SHALL NOT CONSTITUTE A LIEN UPON THE WATER AND SEWER UTILITY, ANY PART OF SUCH WATER AND SEWER UTILITY, OR ANY OTHER PROPERTY OF THE COUNTY, BUT WILL CONSTITUTE A LIEN ONLY ON THE PLEDGED REVENUES.

[The scheduled payment of principal of, and interest on, the Series 2008C Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2008C Bonds by Financial Security Assurance Inc. as described in this Official Statement. For a description of the Bond Insurer, *see* "DESCRIPTION OF THE BOND INSURER" in this Official Statement.]

[Bond Insurer Logo]

See the inside cover page for maturities, principal amounts, initial CUSIP numbers, interest rates, and prices or yields.

This cover page contains information for quick reference only. It is *not* a complete summary of the information in this Official Statement. Investors must read this entire Official Statement, including the Appendices, to obtain information essential in making an informed investment decision with respect to the purchase of these securities.

The Series 2008C Bonds are offered when, as and if issued by the County and accepted by the Underwriters, subject to the approval of legality by Squire, Sanders & Dempsey, L.L.P., Miami, Florida, and KnoxSeaton, Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain legal matters relating to disclosure will be passed upon for the County by Hunton & Williams LLP, Miami, Florida, and Law Offices Thomas H. Williams, Jr., P.L., Miami, Florida, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, GrayRobinson. P.A., Tampa, Florida. Public Resources Advisory Group, St. Petersburg, Florida, has served as Financial Advisor to the County and the Department in connection with the issuance of the Series 2008C Bonds. It is expected that the Series 2008C Bonds will be available for delivery through DTC in New York, New York, on or about _____, 2008.

RBC Capital Markets

[Co-Managers]

Dated: _____, 2008

This Preliminary Remarketing Circular and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Remarketing Circular constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of any such jurisdiction.

MATURITY SCHEDULE, PRINCIPAL AMOUNTS, INITIAL CUSIP NUMBERS[1], INTEREST RATES,
AND YIELDS FOR THE SERIES 2008C BONDS

$_____*
MIAMI-DADE COUNTY, FLORIDA
WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS
SERIES 2008C

Maturity Date (October 1)	Principal Amount	Initial CUSIP No.[1]	Interest Rate	Yield

[1] **The County is not responsible for the CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Official Statement.**

* Preliminary, subject to change.

MIAMI-DADE COUNTY, FLORIDA
Carlos Alvarez, Mayor

MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS
Bruno A. Barreiro, Chairman
Barbara J. Jordan, Vice Chairwoman

Barbara J. Jordan	District 1	Katy Sorenson,	District 8
Dorrin D. Rolle	District 2	Dennis C. Moss	District 9
Audrey M. Edmonson	District 3	Senator Javier D. Souto	District 10
Sally A. Heyman	District 4	Joe A. Martinez	District 11
Bruno A. Barreiro	District 5	José "Pepe" Diaz	District 12
Rebeca Sosa	District 6	Natacha Seijas	District 13
Carlos A. Gimenez	District 7		

COUNTY CLERK
Harvey Ruvin

COUNTY MANAGER
George M. Burgess

COUNTY ATTORNEY
R. A. Cuevas, Jr., Esq.

FINANCE DIRECTOR
Rachel E. Baum, C.P.A.

WATER AND SEWER DEPARTMENT
John W. Renfrow, P.E., Director
Joseph A. Ruiz, Jr., Deputy Director – Operations
L. Douglas Yoder, PhD., Deputy Director – Regulatory Compliance and Capital Improvement
Diane A. Camacho, C.P.A., Assistant Director – Finance

BOND COUNSEL
Squire, Sanders & Dempsey L.L.P.
Miami, Florida

KnoxSeaton
Miami, Florida

DISCLOSURE COUNSEL
Hunton & Williams LLP
Miami, Florida

Law Offices Thomas H. Williams, Jr., P.L.
Miami, Florida

FINANCIAL ADVISOR
Public Resources Advisory Group
St. Petersburg, Florida

INDEPENDENT PUBLIC ACCOUNTANTS
Rachlin, LLP
Miami, Florida

No dealer, broker, salesman or other person has been authorized by the County, the Department or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County, the Department or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2008C Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Official Statement. The offering of the Series 2008C Bonds is made only by means of this entire Official Statement.

This Official Statement contains statements, which to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "estimate," "project," "anticipate," "expect," "intend," "belief," and similar expressions are intended to identify forward looking statements. Such statements may be subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward looking statements.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE WEBSITE **www.MuniOS.com**. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. *THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.*

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2008C BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2008C BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES WHICH PRODUCE YIELDS HIGHER THAN THE YIELDS STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME, AFTER THE INITIAL OFFERING TO THE PUBLIC, BY THE UNDERWRITERS.

THE SERIES 2008C BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE BOND ORDINANCE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PLEDGED REVENUES AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND

INVESTMENT RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR AGENCY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED OR RECOMMENDED THE SERIES 2008C BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

OTHER THAN WITH RESPECT TO INFORMATION CONCERNING THE BOND INSURER CONTAINED UNDER THE CAPTION "MUNICIPAL BOND INSURANCE" AND "APPENDIX F – SPECIMEN BOND INSURANCE POLICY" HEREIN, NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE BOND INSURER AND THE BOND INSURER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO (i) THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION; (ii) THE VALIDITY OF THE SERIES 2008C BONDS; OR (iii) THE TAX-EXEMPT STATUS OF THE INTEREST ON THE SERIES 2008C BONDS.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF RULE 15-C2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

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OFFICIAL STATEMENT

relating to

$_____*

MIAMI-DADE COUNTY, FLORIDA
Water and Sewer System Revenue Refunding Bonds
Series 2008B

INTRODUCTION

The purpose of this Official Statement of Miami-Dade County, Florida (the "County"), which includes the inside cover page and Appendices, is to furnish certain information in connection with the issuance and sale by the County of $_____* aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"). The Series 2008C Bonds are being issued pursuant to the authority of, and in compliance with, the Constitution and Laws of the State of Florida (the "State"), including without limitation, (i) Chapter 125 and Chapter 166, Florida Statutes, each as amended from time to time; (ii) the Home Rule Amendment and Charter of the County, as amended; (iii) the Code of the County, as amended; and (iv) Ordinance No. 93-134 enacted by the Board of County Commissioners of the County (the "Board") on November 16, 1993 (the "Master Ordinance"), as supplemented by Resolution No. R-___-08 adopted by the Board on _____, 2008, and Resolution No. R-___-08 adopted by the Board on _____, 2008 (collectively, the "Series 2008C Resolution," and together with the Master Ordinance, the "Bond Ordinance").

The Series 2008C Bonds are being issued, together with other available funds of the Department, to: (i) refund all of the $295,240,000 original aggregate principal amount of Dade County, Florida Water and Sewer System Revenue Bonds, Series 2005 (the Series 2005 Bonds"), all of which are currently outstanding (the "Refunded Bonds"), and (ii) pay the costs of issuance of the Series 2008C Bonds, including the payment of the allocable share of premiums for a municipal bond insurance policy and a Reserve Account Credit Facility.

The Series 2008C Bonds are being issued on a parity as to the source and security for payment with (i) the $346,820,000 original aggregate principal amount of Dade County, Florida Water and Sewer System Revenue Bonds, Series 1995, currently outstanding in the principal amount of $18,815,000 (the "Series 1995 Bonds"); (ii) the $437,195,000 original aggregate principal amount of Dade County, Florida Water and Sewer System Revenue Bonds, Series 1997, currently outstanding in the principal amount of $19,145,000 (the "Series 1997 Bonds"); (iii) the $150,000,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Bonds, Series 1999A, all of which are currently outstanding (the "Series 1999A Bonds"); (iv) the $248,890,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2003, currently outstanding in the principal amount of $169,270,000 (the "Series 2003 Bonds"); (v) the $344,690,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2007, all of which are currently outstanding (the "Series 2007 Bonds"); (vi) the $68,300,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Bonds, Series 2008A, all of which are currently outstanding (the "Series 2008A Bonds"); and (vii) the $374,555,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008B, all of which are currently outstanding (the "Series 2008B Bonds" and, collectively with the Series 1995 Bonds, the Series 1997 Bonds, the Series 1999A Bonds, the Series 2003 Bonds, the Series 2007 Bonds and the Series 2008A Bonds, the "Outstanding Bonds") and with certain Hedge Obligations as hereinafter described and

---

* Preliminary, subject to change.

any future Additional Bonds, Completion Bonds and Refunding Bonds. Any bonds issued under the provisions of the Master Ordinance shall hereinafter be referred to as the "Bonds."

This Official Statement contains descriptions of, among other things, the Series 2008C Bonds, the Bond Ordinance, the Department and the County. Such descriptions and information do not purport to be comprehensive or definitive. Certain information in this Official Statement has been provided by The Depository Trust Company, New York, New York ("DTC"). The County and the Department have not provided information in this Official Statement with respect to DTC and do not certify as to the accuracy or sufficiency of the disclosure policies of or content provided by DTC and are not responsible for the information provided by DTC. In addition, the County and the Department have not provided information in this Official Statement with respect to the Bond Insurer (as herein defined) and are not responsible for the information provided by the Bond Insurer. All references in this Official Statement to the Bond Ordinance and related documents are qualified by reference to such documents, and references to the Series 2008C Bonds are qualified in their entirety by reference to the form of such bonds included in the Bond Ordinance. *All capitalized terms in this Official Statement shall have the meanings assigned to such terms in the Bond Ordinance unless another meaning is ascribed to any of such terms in this Official Statement.*

This Official Statement includes certain information that was not available for inclusion in the Preliminary Official Statement dated _____, 2008, including information relating to amounts and maturities, interest rates, yields and other terms of the Series 2008C Bonds. Purchasers of the Series 2008C Bonds should read this Official Statement in its entirety.

PURPOSE OF THE SERIES 2008C BONDS

General

The proceeds of the Series 2008C Bonds, together with other available funds of the Department, will be used to: (i) refund the Refunded Bonds, and (ii) pay the costs of issuance of the Series 2008C Bonds, including the payment of the allocable share of the premiums for a municipal bond insurance policy and a Reserve Account Credit Facility. *See* "ESTIMATED SOURCES AND USES OF FUNDS."

The Series 2008C Bonds are subject to optional redemption prior to maturity as described herein.

Plan of Refunding

The Series 2008C Bonds are being issued to refund the Refunded Bonds in the aggregate principal amount of $295,240,000. The Refunded Bonds were issued to finance certain capital improvements to the Department's water and sewer utility (the "Utility"). The County has determined that it is desirable to provide for the refunding of the Refunded Bonds in order to restructure the debt service associated with the Series 2005 Bonds.

The Refunded Bonds will be redeemed on the date of delivery of the Series 2008C Bonds, _____, 2008, at a redemption price of 100% of the principal amount thereof, plus accrued interest.

DESCRIPTION OF THE SERIES 2008C BONDS

General

The Series 2008C Bonds shall bear interest at such rates and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The Bank of New York Mellon will act as Paying Agent and Registrar for the Series 2008C Bonds (the "Paying Agent" and the "Registrar").

The Series 2008C Bonds will be issued initially as fully registered bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2008C Bonds. Purchases of the Series 2008C Bonds will be made through a book-entry only system maintained by DTC, in denominations of $5,000 or any integral multiple of $5,000, and purchasers of the Series 2008C Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. As long as DTC or its nominee is the registered owner of the Series 2008C Bonds, the principal and interest payments will be made to DTC or its nominee, which will in turn remit such principal and interest payments to DTC's Participants (as defined below under "Book-Entry Only System") for subsequent disbursement to the Beneficial Owners. *See* "Book-Entry Only System" below.

Optional Redemption

The Series 2008C Bonds maturing on or before October 1, 20__ are not be subject to optional redemption prior to maturity. The Series 2008C Bonds maturing on or after October 1, 20__ are subject to optional redemption prior to maturity, at the option of the County, in whole or in part at any time, on or after October 1, 20__, and if in part, in maturities determined by the County and by lot within a maturity, at a redemption price equal to 100% of the principal amount of the Series 2008C Bonds to be redeemed plus accrued interest to the date of redemption without premium.

In the event any Series 2008C Bonds are called for redemption, the Paying Agent shall give notice in the name of the County, of the redemption of such Series 2008C Bonds, which notice shall (i) specify the Series 2008C Bonds, including Series designations, to be redeemed, the CUSIP numbers, certificate numbers, the date of issue, interest rate, maturity date of the Series 2008C Bonds to be redeemed, the redemption date, the date of notice, the redemption price and the place or places where amounts due upon such redemption will be payable (which shall be the designated principal corporate trust office of the Paying Agent or of its agent) and, if less than all of the Series 2008C Bonds are to be redeemed, the numbers of the Series 2008C Bonds and the portion of Series 2008C Bonds so to be redeemed and (ii) state that on the redemption date, the Series 2008C Bonds to be redeemed shall cease to bear interest.

Notice of Redemption. Notice of redemption shall be given by the Paying Agent in the name of the County by mailing a copy of the redemption notice to Cede & Co., as nominee of DTC, as registered owner of the Series 2008C Bonds, or if DTC is no longer the registered owner of the Series 2008C Bonds, then to the then registered owners of the Series 2008C Bonds at least 30 days prior to the date fixed for redemption, by first class mail and postage prepaid at their addresses appearing on the bond registration books of the County maintained by the Registrar, and if applicable, to the securities depository.

A second notice of redemption shall be given (within 60 days after the redemption date) in the manner required above, to the registered Holders of redeemed Series 2008C Bonds which have not been presented for payment within 30 days after the redemption date. However, failure to give such notice shall not affect the validity of the redemption of the Series 2008C Bonds.

Failure of the registered owners of any Series 2008C Bonds which are to be redeemed to receive any such notice (or any defect therein) shall not affect the validity of the proceedings for the redemption of Series 2008C Bonds for which proper notice has been given.

Effect of Calling for Redemption. On the date so designated for redemption, notice having been mailed as provided in the Master Ordinance, the Series 2008C Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2008C Bonds on such date, and moneys for payment of the redemption price being held in separate accounts by the Paying Agent in trust for the registered owners of the Series 2008C Bonds to be redeemed, interest on the Series 2008C Bonds so called for redemption shall cease to accrue, such Series 2008C Bonds shall not be deemed to be Outstanding for purposes of the Bond Ordinance, and shall cease to be entitled to any

lien, benefit or security under the Bond Ordinance, and the registered owners of such Series 2008C Bonds shall have no rights in respect of the Series 2008C Bonds except to receive payment of the redemption of the Series 2008C Bonds.

Whenever any Series 2008C Bonds shall be delivered to the Paying Agent for cancellation, upon payment of the principal amount of the Series 2008C Bonds, or for replacement, transfer or exchange, such Series 2008C Bonds shall be canceled and destroyed by the Paying Agent, and counterparts of the certificate of destruction evidencing any such destruction shall be furnished to the County.

Conditional Notice of Redemption. In the case of an optional redemption of any Series 2008C Bond, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys in the Redemption Account or with an escrow agent under an escrow deposit agreement, in amounts necessary to effect the redemption, no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this subsection. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the County delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2008C Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the County to make such funds available shall constitute an Event of Default. The County shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2008C Bonds called for redemption and not so paid remain Outstanding under the Bond Ordinance.

Book-Entry Only System

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2008C Bonds, payment of interest and principal on the Series 2008C Bonds to Participants or Beneficial Owners of the Series 2008C Bonds, confirmation and transfer of beneficial ownership interest in the Series 2008C Bonds and other related transactions by and between DTC, the Participants and the Beneficial Owners of the Series 2008C Bonds is based solely on information furnished by DTC on its website for inclusion in this Official Statement. Accordingly, neither the County, the Department, nor the Underwriters can make any representations concerning these matters.

DTC will act as securities depository for the Series 2008C Bonds. The Series 2008C Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond will be issued for each maturity of each Series of the Series 2008C Bonds, each in the aggregate principal amount of such maturity of such Series of the Series 2008C Bonds, as set forth on the inside cover page of this Official Statement, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct

Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Series 2008C Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2008C Bonds on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2008C Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive bond certificates representing their ownership interests in the Series 2008C Bonds, except in the event that use of the book-entry system for the Series 2008C Bonds is discontinued.

To facilitate subsequent transfers, all Series 2008C Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2008C Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2008C Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2008C Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2008C Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2008C Bonds, such as defaults, and proposed amendments to the Bond Ordinance. For example, Beneficial Owners of Series 2008C Bonds may wish to ascertain that the nominee holding the Series 2008C Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2008C Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2008C Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2008C Bonds will be made to Cede & Co., or to such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants or Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, nor its nominee, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the County or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2008C Bonds at any time by giving reasonable notice to the County or the Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates representing the Series 2008C Bonds are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates representing the Series 2008C Bonds will be printed and delivered.

The information under this heading concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

NEITHER THE COUNTY, THE DEPARTMENT, THE UNDERWRITERS, THE PAYING AGENT NOR THE REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT OR INDIRECT PARTICIPANT OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2008C BONDS IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR INTEREST ON THE SERIES 2008C BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE BOND ORDINANCE OR ANY CONSENT GIVEN OR ACTION TAKEN BY DTC AS BONDHOLDER. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF SUCH BONDS, AS NOMINEE OF DTC, THE BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL CERTIFICATES REPRESENTING THEIR INTERESTS IN THE BONDS, AND REFERENCES HEREIN TO BONDHOLDERS OR REGISTERED HOLDERS OF SUCH BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF SUCH BONDS.

Discontinuance of Book-Entry Only System

In the event the County determines that it is in the best interest of the Beneficial Owners to obtain Series 2008C Bond certificates, the County may notify DTC and the Registrar, whereupon DTC will notify the Participants, of the availability through DTC of Series 2008C Bond certificates. In such event, the County shall prepare and execute and the Registrar shall authenticate, transfer and exchange Series 2008C Bond certificates as requested by DTC in appropriate amounts within the guidelines set forth in the Bond Ordinance. DTC may determine to discontinue providing its services with respect to the Series 2008C Bonds at any time by giving written notice to the County and the Registrar and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the County and the Registrar shall be obligated to deliver Series 2008C Bond certificates as described in this Official Statement. In the event Series 2008C Bond certificates are

issued, the provisions of the Bond Ordinance shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the County and the Registrar to do so, the County will direct the Registrar to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Series 2008C Bonds to any DTC Participant having such Series 2008C Bonds credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2008C Bonds.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2008C BONDS

Pledged Revenues

The payment of principal of and interest on the Series 2008C Bonds is secured by a pledge of and lien on the Net Operating Revenues of the Utility (the "Pledged Revenues"). For a description of the application and use of the Pledged Revenues, see "Flow of Funds" below. The Series 2008C Bonds are on parity as to source and security for payment with the Outstanding Bonds, any future Bonds and with certain Hedge Obligations as hereinafter described in this Official Statement. *See* "INTEREST RATE SWAP AGREEMENTS."

The term "Net Operating Revenues" is defined in the Master Ordinance as Operating Revenues reduced by Operating Expenses. The term "Operating Revenues" is defined in the Master Ordinance as all operating income or earnings received or accrued by the County from the ownership, operation or use of the Utility, or any part of the Utility, including, but not limited to, user charges for the provision of water service and sewer service, meter installation fees, and the like, delinquent charges and investment earnings, but shall exclude any income from the investment of the Construction Fund, proceeds from insurance (except business interruption insurance), condemnation or the disposition of property not in the ordinary course of business, Capital Facilities Charges, grants and proceeds from the sale of any obligations of the County (exclusive of short-term obligations for Utility working capital) and payments on special assessments for water and sewer improvements.

The term "Operating Expenses" is defined in the Master Ordinance as all current expenses, paid or accrued, and any Operating Expense reserve described in Section 503 of the Master Ordinance, for the operation, maintenance and ordinary current repairs of the Utility and its components, as calculated in accordance with generally accepted accounting principles for municipal utilities ("GAAP"), including, without limitation, insurance premiums (or comparable payments under a self-insurance or risk management program), labor, cost of materials and supplies used for current operation, charges for the accumulation of appropriate reserves for current expenses not annually recurrent but which are such as may reasonably be expected to be incurred in accordance with GAAP and Credit Facility Charges, administrative expenses and professional fees and expenses, before depreciation, amortization and interest expense determined in accordance with GAAP, provided, however, there will not be taken into account:

(a) any gain or loss resulting from either the extinguishment or refinancing of indebtedness;

(b) loss from the sale, exchange or other disposition of capital assets not made in the ordinary course of business; and

(c) any capital expenditures for renewal, replacement, expansion or acquisition of capital assets of the Utility (including any deposit to reserves therefor).

The term "Capital Facilities Charges" is defined in the Master Ordinance as all payments received by the County or the Department which are related to acquiring, constructing, expanding or equipping

capacity and facilities of the Utility, for the purpose of reserving capacity in either the Water System or the Sewer System, connecting to either System, or paying or reimbursing any capital cost relating to such acquisition, construction, expansion or equipping of excess and unused capacity of either System or any expansion thereof, including connection charges and impact fees relative to the Utility, but shall not include (i) amounts received for the acceptance, treatment or disposal of sewage, (ii) amounts received from the sale of water, (iii) meter installation fees and (iv) other revenues constituting Operating Revenues.

The Master Ordinance would permit the County to acquire a water and/or sewer system and specifically designate such system to be a "Separate System" for purposes of the Master Ordinance. Any Separate System so designated would not constitute a part of the Utility, and revenues generated by such Separate System would not constitute Operating Revenues subject to the lien of the Master Ordinance and costs allocable thereto would not be taken into account for purposes of determining Operating Expenses and Net Operating Revenues. There are currently no Separate Systems.

Flow of Funds

Section 502 of the Master Ordinance creates the following funds and accounts (all of which are to be held by the County) for the security of the Outstanding Bonds, the Series 2008C Bonds, and any future Bonds:

(a) the Revenue Fund;

(b) the Debt Service Fund, and therein a Bond Service Account, a Redemption Account and a Reserve Account;

(c) the Renewal and Replacement Fund;

(d) the Plant Expansion Fund;

(e) the Rate Stabilization Fund; and

(f) the General Reserve Fund.

In addition, the Series 2008C Resolution creates the "Series 2008C Bond Service Subaccount" in the Debt Service Fund for the security of the Series 2008C Bonds and the "Series 2008C Bonds Cost of Issuance Account."

Section 503 of the Master Ordinance requires that the County deposit all Operating Revenues of the Utility in the Revenue Fund as received, and that all moneys in the Revenue Fund be applied in the order of priority described below:

(1) The County must make withdrawals from the Revenue Fund in amounts necessary to pay Operating Expenses and to establish an Operating Expense reserve in an amount determined by the County (which may not exceed 1/6th of the budgeted Operating Expenses for the then-current Fiscal Year).

(2) Subject only to the payments and set asides described in (1) above, the remaining moneys in the Revenue Fund are required to be applied on or before the 20th day of each month in the following order:

(i) to the credit of the Bond Service Account, an amount equal to one-sixth (1/6th) of the amount of the interest payable on the Bonds of each Series on the interest payment date next succeeding (less any amount received as capitalized or accrued interest

from the proceeds of any Bonds which is available for such interest payment) and an amount equal to one-twelfth (1/12th) of the next maturing installment of principal (or Accreted Value, as applicable) on all Serial Bonds then outstanding; provided, however, that:

(a) in each month intervening between the date of delivery of a Series of Bonds, and the next succeeding interest payment date and the next succeeding principal payment date, respectively, the amount specified in this subparagraph (i) shall be that amount which when multiplied by the number of deposits to the credit of the Bond Service Account required to be made during such respective periods will equal the amounts required (in addition to any amounts received as accrued interest or capitalized interest from the proceeds of such Bonds) for such next succeeding interest payment and next maturing installment of principal, respectively;

(b) the amount specified in this subparagraph (i) shall be reduced to take into account Hedge Receipts to be received on or before the succeeding interest payment date and shall be increased to provide for the payment of any Hedge Obligations to be paid on or before the succeeding interest payment date; and

(c) with respect to any Bonds (or any Hedge Agreement) bearing interest at a Variable Rate and/or payable other than semiannually, the amount specified in this subparagraph (i) for the payment of interest (or Hedge Obligation) shall be that amount necessary to provide substantially equal monthly payments for the payment of such interest (or Hedge Obligation) on the payment dates therefor;

(ii) to the credit of the Redemption Account, an amount equal to one-twelfth (1/12th) of the principal amount (or Accreted Value, as applicable) of Term Bonds of each Series then Outstanding required to be retired in satisfaction of the Amortization Requirements for such Bond Year, plus the redemption premiums, if any, which would be payable in such Bond Year if such Term Bonds were to be redeemed prior to their respective maturities from moneys held for the credit for the Debt Service Fund;

(iii) to the credit of the Reserve Account, the Reserve Account deposit requirement established by the Master Ordinance for such month; provided, however, no deposit shall be required in any month in which the amount on deposit in the Reserve Account is at least equal to the Reserve Account Requirement. If a Reserve Account Credit Facility is utilized and the Provider of the Reserve Account Credit Facility is required to advance any sums to meet Principal and Interest Requirements or other sums required to be funded from the Reserve Account, the County shall reimburse the Provider within 12 months from the date the County receives written notice of such advance by the Provider;

(iv) to the payment of principal (including amortization installment, if any) of, and premiums and interest on, and other required payments with respect to Subordinate Obligations;

(v) to the credit of the Renewal and Replacement Fund, an amount equal to one-twelfth (1/12th) of the amount to be deposited from Revenues, if any, recommended by the Consultant pursuant to the provisions of Section 607 of the Master Ordinance, to be deposited to the credit of said fund during such Fiscal Year;

(vi) in the discretion of the County, to the credit of the Rate Stabilization Fund in such sums as are determined by the County; and

(vii) to the credit of the General Reserve Fund, the balance, if any, remaining thereafter.

If an amount deposited in any month to the credit of any of the Accounts or Funds shall be less than the amount required to be deposited under the provisions of the Master Ordinance, the requirement therefor shall nevertheless be cumulative and the amount of any deficiency in any month shall be added to the amount otherwise required to be deposited in each month thereafter until such time as all deficiencies have been made up.

Pursuant to subparagraph (i) above, Hedge Obligations are payable on parity as to source and security with Bonds issued and Outstanding under the Bond Ordinance. The term "Hedge Obligations" is defined in the Master Ordinance as net payments required to be made by the County under a Hedge Agreement from time to time as a result of fluctuation in hedged interest rates or in the value of any index of payment and under certain conditions set forth in the Master Ordinance, termination charges with respect to a Hedge Agreement. A "Hedge Agreement" includes, but is not limited to, an interest rate swap agreement meeting the criteria set forth in the Master Ordinance and entered into by the County as a hedging device with respect to its obligation to pay debt service on the Bonds. *See* "INTEREST RATE SWAP AGREEMENTS" for a description of Hedge Agreements currently in effect that have been entered into by the County.

Limited Obligations

THE SERIES 2008C BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM AND SECURED SOLELY BY THE PLEDGED REVENUES. THE SERIES 2008C BONDS DO NOT CONSTITUTE AN INDEBTEDNESS, LIABILITY, GENERAL OR MORAL OBLIGATION, OR A PLEDGE OF THE FAITH, CREDIT OR POWER OF THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE, WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION. NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION OF THE STATE NOR THE COUNTY SHALL BE DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATED TO LEVY ANY AD VALOREM TAXES ON ANY PROPERTY TO PAY PRINCIPAL OF, OR INTEREST ON, THE SERIES 2008C BONDS OR OTHER RELATED COSTS, OR TO PAY THE SAME FROM ANY OTHER FUNDS OF THE COUNTY EXCEPT FROM THE PLEDGED REVENUES. THE ACCEPTANCE OF THE SERIES 2008C BONDS BY THE REGISTERED OWNERS FROM TIME TO TIME OF THE SERIES 2008C BONDS WILL BE DEEMED AN AGREEMENT BETWEEN THE COUNTY AND SUCH REGISTERED OWNERS THAT THE SERIES 2008C BONDS AND THE INDEBTEDNESS EVIDENCED BY THE SERIES 2008C BONDS WILL NOT CONSTITUTE A LIEN UPON THE UTILITY, ANY PART OF THE UTILITY, OR ANY OTHER PROPERTY OF THE COUNTY, BUT WILL CONSTITUTE A LIEN ONLY ON THE PLEDGED REVENUES.

Rate Covenant

The County has covenanted in Section 602 of the Master Ordinance to fix, charge and collect rates and charges for the use of the services and facilities furnished by the Utility and, from time to time

and as often as it shall be necessary, to adjust such rates and charges by increasing or decreasing the same or any selected categories of such rates and charges so as to provide Net Operating Revenues in each Fiscal Year equal to (a) one hundred ten percent (110%) of the Principal and Interest Requirements on the Bonds for such Fiscal Year, plus (b) one hundred percent (100%) of the required deposits into the Reserve Account (less any portion of such deposits to be deposited from proceeds of Bonds) together with any Reserve Account Credit Facility costs payable in such Fiscal Year.

The term "Principal and Interest Requirements" is defined in the Master Ordinance as the respective amounts which are required in each Fiscal Year to pay (a) principal and interest on all Bonds then Outstanding and (b) the Amortization Requirements, if any, for all Term Bonds then Outstanding for such Fiscal Year; provided, however, that: (i) the amount of such Principal and Interest Requirements for any Fiscal Year may be reduced by the amount of any capitalized interest to be used to pay interest in such Fiscal Year and by the anticipated earnings on money in the applicable Bond Service Account, and such earnings will be deposited to the credit of the applicable Bond Service Account; and (ii) the Principal and Interest Requirements for any Bonds bearing interest at a Variable Rate shall be determined as provided in the Definition of "Variable Rate" in the Master Ordinance. "Maximum Principal Interest Requirements" is defined in the Master Ordinance, as of any particular date of calculation, as the greatest amount of Principal and Interest Requirements for the then current or any future Fiscal Year.

The Master Ordinance defines "Reserve Account Credit Facility" as a surety bond, a policy of insurance, a letter of credit or other financial product obtained by the County with respect to any Bonds, from an entity meeting the criteria set forth in the Master Ordinance, which provides for payment of Principal and Interest on such Bonds in amounts not greater than the Reserve Account Requirement for such Bonds in the event of an insufficiency of available moneys to pay when due principal of, premium, if any, and interest on such Bonds.

In case the County has made deposits of Net Operating Revenues to or withdrawals from the Rate Stabilization Fund during such Fiscal Year, Net Operating Revenues shall be adjusted by subtracting the amount of any such deposits and by adding the amount of any such withdrawal.

[Municipal Bond Insurance

The scheduled payment of principal of and interest on the Series 2008C Bonds when due will be guaranteed under a municipal bond insurance policy (the "Bond Insurance Policy") to be issued concurrently with the delivery of the Series 2008C Bonds by Financial Security Assurance Inc. (the "Bond Insurer") as described in this Official Statement. For a discussion of the Bond Insurer, *see* "DESCRIPTION OF THE BOND INSURER."

The Bond Insurer shall be authorized, among other things, to provide (or withhold), in lieu of the registered owners of the Series 2008C Bonds, any direction or consent required of the registered owners of the Series 2008C Bonds.]

Reserve Account

The Master Ordinance provides for the creation of a Reserve Account and provides, except as described below, upon the issuance of each Series of Bonds, the County shall deposit or provide for the deposit to the Reserve Account, an amount, which together with amounts on deposit therein, shall equal the Reserve Account Requirement; provided, however, the County may fund up to fifty percent (50%) of the Reserve Account Requirement applicable to a Series of Bonds over 36 months if it will not cause any rating then assigned the Outstanding Bonds to be withdrawn or reduced. The "Reserve Account Requirement" is defined in the Master Ordinance as the Maximum Principal and Interest Requirements in the then current or any subsequent Fiscal Year on all Outstanding Bonds or such lesser amount which is the greatest allowable under the Internal Revenue Code of 1986, as amended (the "Code").

Upon issuance of the Series 2008C Bonds, there shall be on deposit in the Reserve Account an amount equal to the Reserve Account Requirement for all Bonds Outstanding consisting of $_____ in cash and $_____ in reserve insurance policies constituting Reserve Account Credit Facilities.

Moneys held for the credit of the Reserve Account shall first be used for the purpose of paying the interest on and the principal of the Bonds whenever and to the extent that the available moneys held for such purpose for the credit of the Bond Service Account and the General Reserve Fund shall be insufficient for such purpose, and thereafter for the purpose of making deposits to the credit of the Redemption Account of the Debt Service Fund pursuant to the requirements of the Master Ordinance whenever and to the extent that withdrawals from the Revenue Fund and the amount on deposit in the General Reserve Fund are insufficient for such purposes, and shall next be used to pay Payment Obligations with respect to the applicable Reserve Account Credit Facility, if any. Amounts withdrawn from the Reserve Account for the purpose of payment of debt service on any Bonds shall be replenished by substantially equal monthly deposits into the Reserve Account over a period not to exceed 60 months. If at any time the moneys held for the credit of any subaccount in the Reserve Account shall exceed the Reserve Account Requirement for those Bonds that are secured by such subaccounts, such excess shall be withdrawn by the Finance Director and deposited to the credit of the Revenue Fund.

The County may, in the future, create subaccounts in the Reserve Account for any future Series of Bonds. In such event, moneys in such subaccount shall be held specifically for the benefit of the respective Series of Bonds for which such subaccounts were created. In this regard, the remaining amounts on deposit would be available for payment of debt service of all Bonds, including such Series of Bonds for which a separate subaccount has been created. The County is not creating a separate subaccount in the Reserve Account for the benefit of the Series 2008C Bonds.

Additional Bonds

Upon satisfying certain conditions contained in Section 208 of the Master Ordinance, the County may issue additional bonds (the "Additional Bonds") and other obligations that are payable on a parity with the Series 2008C Bonds and the Outstanding Bonds. Additional Bonds may be issued (a) for the purpose of paying all or any part of the cost of constructing or acquiring any Improvements, (b) to refund any obligations of the County which financed or refinanced any Improvements, or (c) to finance termination payments relating to Hedge Agreements.

Except in the case of Refunding Bonds and Completion Bonds as described in "Refunding Bonds" and "Completion Bonds" below, the County, after satisfaction of all other conditions in the Master Ordinance, may issue Additional Bonds (which, for purposes of meeting these conditions, are deemed to be Additional Bonds) if there has been filed a certificate of the Finance Director (i) setting forth the amount of the Net Operating Revenues for any four consecutive quarters (the "Computation Period") in the six preceding quarters, subject to certain adjustments permitted under the Master Ordinance, (ii) setting forth the respective amounts of the Principal and Interest Requirements for each Fiscal Year thereafter including the Additional Bonds to be issued, (iii) certifying that the Net Operating Revenues, as adjusted in accordance with Section 208(c) of the Master Ordinance, for the Computation Period shall have equaled at least the sum of one hundred ten percent (110%) of the Maximum Principal and Interest Requirements on all Bonds to be Outstanding as of the date of such issuance, plus one hundred percent (100%) of all required deposits to the Reserve Account during the Computation Period and (iv) certifying that the Net Operating Revenues (as adjusted in accordance with Section 208(c) of the Master Ordinance) remaining after deduction of Maximum Principal and Interest Requirements on all Bonds shall be at least equal to one hundred percent (100%) of all debt service and reserve requirements on all Subordinate Obligations.

In addition to the certificate of the Finance Director described above, there shall be filed with the Finance Director a certificate signed by a Consultant meeting the criteria set forth in the Master

Ordinance setting forth (x) the estimated date on which the Improvements being financed or refinanced with the Additional Bonds will be placed in operation, (y) the Consultant's estimate of the Net Operating Revenues for each of the three Fiscal Years following the Fiscal Year in which the Improvements will be placed in operation as estimated in item (x) of said certificate, taking into account the rates and charges in effect on the date of delivery of such Additional Bonds and any revised rates and charges that shall become effective prior to or during such Fiscal Year, and (z) that after taking into account (x) and (y) above, the Net Operating Revenues (as adjusted in accordance with Section 208(c) of the Master Ordinance) will satisfy the ratio set forth in (iii) of the preceding paragraph, and that the adjusted Net Operating Revenues remaining after deduction of the Maximum Principal and Interest Requirements on all Bonds shall be at least equal to one hundred percent (100%) of all debt service and reserve requirements on Subordinate Obligations.

Refunding Bonds

The Master Ordinance provides for the issuance of "Refunding Bonds" for the purpose of providing funds for paying principal of, redemption premium and interest on all or any part of the outstanding Bonds at maturity or prior redemption date. Refunding Bonds so issued will be secured and payable from Pledged Revenues on a parity with all Bonds issued and Outstanding under the Master Ordinance. The coverage tests applicable to Additional Bonds (*see* "Additional Bonds" above) do not apply to Refunding Bonds provided that the Finance Director certifies that the Principal and Interest Requirements for each Fiscal Year thereafter (except for years subsequent to the final maturity of all the Outstanding Bonds) on account of all Bonds to be Outstanding after issuance of such Refunding Bonds and the payment and redemption of the Bonds to be paid and redeemed shall not exceed the Principal and Interest Requirements for each such Fiscal Year on account of all Bonds Outstanding immediately prior to the issuance of such Refunding Bonds. However, Refunding Bonds may also be issued by meeting the historical coverage test for Additional Bonds – *see* "Additional Bonds" herein.

The Series 2008C Bonds are being issued as Refunding Bonds.

Completion Bonds

The Master Ordinance provides for the issuance of "Completion Bonds" for the purpose of providing funds for paying the cost of completion of any Project for which one or more Series of Bonds have theretofore been issued, in a principal amount not greater than ten percent (10%) of the estimated cost of such Project. Completion Bonds so issued will be secured and payable from Pledged Revenues on parity with all Bonds issued under the Master Ordinance. The coverage tests applicable to Additional Bonds (and described above) are not applicable to Completion Bonds.

See APPENDIX C – "THE BOND ORDINANCE" for a more complete discussion on the issuance of Additional Bonds, Refunding Bonds and Completion Bonds.

Defeasance

The Master Ordinance provides that in the event Bonds are defeased in the manner described in the Master Ordinance, the right, title and interest of the Holders of such Bonds in the Bond Ordinance will cease, determine and become void. *See* APPENDIX C – "THE BOND ORDINANCE."

Additional Covenants of the County

The County has covenanted in the Master Ordinance that it will neither furnish free service nor provide service otherwise than in accordance with the established rate schedule for the Utility. The County has also agreed to certain restrictions on the sale or disposal of assets comprising the Utility. The County has covenanted to cause the Department to adopt an annual operating budget which may be

amended from time to time, to operate the Utility in an efficient and economic manner, to maintain the Utility in good repair, and to timely pay all principal and interest payments, when due, on the Bonds, and that it will diligently enforce and collect payment of all fees and charges for the use of the Utility.

The County has further covenanted to maintain a practical insurance program for the Utility, to maintain separate records and accounts for the Utility, to keep accurate accounts of revenues, costs and expenditures, to issue annual audited financial reports of the Utility, to require, to the extent permitted by law, all lands, buildings and structures within the service area of the Utility fronting or abutting on the distribution lines to connect with and/or use the Utility, and to retain qualified Consultants and Accountants as required by the Master Ordinance. *See* APPENDIX C – "THE BOND ORDINANCE."

Other Obligations

The County has incurred certain obligations, which are secured by a subordinate pledge of and lien on the Pledged Revenues. *See* "SUBORDINATE OBLIGATIONS." In addition, the County's obligation to pay a termination payment, if any, upon the termination of the swaps described in "INTEREST RATE SWAP AGREEMENTS," is subordinate to the pledge and lien on the Pledged Revenues which secures the Outstanding Bonds. The County may also issue additional Subordinate Obligations payable subordinate to the Outstanding Bonds pursuant to the Master Ordinance.

Remedies

Upon an Event of Default as described in Section 701 of the Master Ordinance, the Series 2008C Bonds will not be subject to acceleration. Rather, a trustee or Bondholder acting for the Holders of all Bonds may by suit, action, mandamus or other judicial proceedings, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under and to the extent permitted by the laws of the State of Florida, or granted and contained in the Master Ordinance, and may enforce and compel the performance of all duties required in the Master Ordinance or by any applicable statutes to be performed by the County or by any officer thereof. However, nothing in the Master Ordinance shall be construed to grant to any Bondholder any lien of any property of or within the corporate boundaries of the County, and no Bondholder shall have any right to affect, disturb or prejudice the security of the Master Ordinance. *See* "ENFORCEABILITY OF REMEDIES."

As long as the Bond Insurance Policy remains in full force and effect and the Bond Insurer is not in default under the Bond Insurance Policy or insolvent, the Bond Insurer shall have the power and authority to give any consents and exercise all rights or remedies, which the Bondholders for the Series 2008C Bonds would otherwise have the power and authority to give, make or exercise under the Master Ordinance.

Modifications or Supplements to Master Ordinance

The Master Ordinance can be supplemented as set forth in Section 801 of the Master Ordinance, which relates to supplemental ordinances without consent of the Holders, and Section 802 of the Master Ordinance, which relates to supplemental ordinances with consent of the Holders. *See* APPENDIX C – "THE BOND ORDINANCE."

DESCRIPTION OF THE BOND INSURER

The following information has been supplied by the Bond Insurer for inclusion in this Official Statement. No representation is made by the County or the Underwriters as to the accuracy or completeness of the information.

Bond Insurance Policy

Concurrently with the issuance of the Series 2008C Bonds, Financial Security Assurance Inc. (the "Bond Insurer") will issue its municipal bond insurance policy for the Series 2008C Bonds (the "Bond Insurance Policy"). The Bond Insurance Policy guarantees the scheduled payment of principal of, and interest on, the Series 2008C Bonds when due as set forth in the form of the Bond Insurance Policy included as APPENDIX F – Specimen of Bond Insurance Policy.

The Bond Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Financial Security Assurance Inc.

The Bond Insurer is a New York domiciled financial guaranty insurance company and a wholly owned subsidiary of Financial Security Assurance Holdings Ltd. ("Holdings"). Holdings is an indirect subsidiary of Dexia, S.A., a publicly held Belgian corporation, and of Dexia Credit Local, a direct wholly-owned subsidiary of Dexia, S.A. Dexia, S.A., through its bank subsidiaries, is primarily engaged in the business of public finance, banking and asset management in France, Belgium and other European countries. No shareholder of Holdings or the Bond Insurer is liable for the obligations of the Bond Insurer.

At June 30, 2008, the Bond Insurer's consolidated policyholders' surplus and contingency reserves were approximately $2,474,294,855 and its total net unearned premium reserve was approximately $2,618,981,067 in accordance with statutory accounting principles. At June 30, 2008, the Bond Insurer's consolidated shareholder's equity was approximately $2,742,778,534 and its total net unearned premium reserve was approximately $2,065,001,822 in accordance with generally accepted accounting principles.

Portions of the following documents filed by Holdings with the Securities and Exchange Commission ("SEC") that relate to Financial Security are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) Annual Report of Holdings on Form 10-K for the year ended December 31, 2007, and

(ii) Quarterly Report of Holdings on Form 10-Q for the quarter ended March 31, 2008, and

(iii) Quarterly Report of Holdings on Form 10-Q for the quarter ended June 30, 2008, and

(iv) Current Report of Holdings on Form 8-K filed on August 6, 2008.

All information relating to the Insurer included in, or as exhibits to, documents filed by Holdings pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this Official Statement and before the termination of the offering of the Series 2005 Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov or at Holding's website at http://www.fsa.com or will be provided upon request to Financial Security Assurance Inc.: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 826-0100).

Any information regarding FSA included herein under the captions "MUNICIPAL BOND INSURANCE - Financial Security Assurance Inc." and "- Recent Events Regarding FSA's Ratings" or included in a document incorporated by reference herein (collectively, the "Financial Security Information") shall be modified or superseded to the extent that any subsequently included Financial

Security Information (either directly or through incorporation by reference) modifies or supersedes such previously included Financial Security Information. Any Financial Security Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

The Bond Insurance Policy does not protect investors against changes in market value of the Series 2008C Bonds, which market value may be impaired as a result of changes in prevailing interest rates, changes in applicable ratings or other causes. The Bond Insurer makes no representation regarding the Series 2008C Bonds or the advisability of investing in the Series 2008C Bonds. The Bond Insurer makes no representation regarding the Official Statement, nor has it participated in the preparation thereof, except that the Bond Insurer has provided to the County the information presented under this caption for inclusion in the Official Statement.

SUBORDINATE OBLIGATIONS

The County has incurred the obligations described below which are secured by a subordinate pledge of and lien on Pledged Revenues ("Subordinate Obligations").

State Revolving Fund Loan Program

Under the State Revolving Fund Loan Program, the Department has received various loan commitments in the aggregate amount of $175,808,280 for the construction of wastewater treatment facilities. Draws against loan commitments totaled $172,090,678 as of September 30, 2007. The Department has also received loan commitments in the aggregate amount of $45,299,098 for drinking water construction projects. Draws against drinking water loan commitments totaled $43,995,400 as of September 30, 2007.

Default in payment of principal and interest on any of the loans described above or any future loans could cause an acceleration of the entire amount of such loans.

INTEREST RATE SWAP AGREEMENTS

The County has entered into interest rate swap agreements with respect to the Series 1994 Bonds, the Series 1999A Bonds, the Series 2005 Bonds and the Series 2007 Bonds and may enter into additional interest rate swap agreements or other synthetic financial instruments in the future for the purpose of managing the interest cost of its Utility debt. Upon the issuance of the Series 2008A Bonds, the County will terminate the interest rate swap associated with the Series 1994 Bonds. Interest rate swaps and other synthetic financial instruments involve risks that could result in an economic loss to the County. The County's obligations to make net payments as a result of fluctuation in hedged interest rates or fluctuation in the value of any index of payment (i.e., Hedge Obligations) are payable from Pledged Revenues on a parity with the Bonds. Any termination payments or hedge charges that may be payable by the County are payable from Pledged Revenues on a subordinate basis to the Bonds on the County's current interest rate swap agreements; however, on any future interest rate swap agreements that the County may enter into, the termination payments may be considered as Hedge Obligations and payable from Pledged Revenues on a parity with the Bonds if on or before the date of entering into the related agreement, the County has obtained written evidence from each Rating Agency that such agreement will not, in and of itself, result in the withdrawal or reduction of the ratings then applicable to the Bonds; and provided further that the County may elect to finance such termination payments through the issuance of Additional Bonds under Section 208 of the Master Ordinance. *See* "SECURITY FOR THE SERIES 2008C BONDS – Flow of Funds" and " – Additional Bonds."

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WATER AND SEWER DEPARTMENT
SWAP PORTFOLIO

Associated Series of Bonds	Notional Amount as of Sept. 30, 2008	Counterparty	Counterparty Ratings as of June 20, 2008 (Moody's, S&P, Fitch)	Start Date	Termination Date	Counterparty Payment	County Payment
Series 1999A	205,070,000	RFPC Capital Services, LLC[1] – Guarantor – BNY	Guarantor – Aaa, AA-, AA-	03/06/2006	10/01/2029	Variable – (i) from July 5, 2007 to, but excluding January 1, 2009 (a) if the difference obtained by subtracting USD-LIBOR-BBA from the product of 90.15% multiplied by USD-ISDA-Swap Rate is greater than 0.40% USD-LIBOR-BBA, plus 1.980%, or (b) if the product of 90.15% multiplied by USD-ISDA-Swap Rate is less than USD-LIBOR-BBA, then USD-LIBOR-BBA, plus 1.580%, otherwise, (c) USD-ISDA-Swap Rate multiplied by 90.15%, plus 1.580%; and (ii) from January 1, 2009 and thereafter, USD-ISDA-Swap Rate multiplied by 90.15%, plus 1.580%	Variable – USDA-SIFMA Municipal Swap Rate Index divided by 0.604
Series 2007	200,000,000	RFPC, LLC[1] – Guarantor – AMBAC	Guarantor – Aa3, AA, AA	07/18/2002	10/01/2026	Variable – USDA-SIFMA Municipal Swap Index	Variable – USDA-SIFMA Municipal Swap Index + (USDA-SIFMA Municipal Swap Index/0.604) - (USD-LIBOR -BBA + 1.455%)

[1] A subsidiary of Rice Financial Products Co., New York, New York.

The County has used swaps as a debt management tool. As of September 30, 2007, the County has recognized $86.9 million of debt service savings from interest rate swaps. The County intends to maintain the above swap portfolio through the final maturity of the related Bonds and the termination value of the swap portfolio as of May 30, 2008 was a negative $41.9 million. The County budgets for Hedge Obligations that pertain to fixed rate payments and for Hedge Receipts.

For further discussion of outstanding interest rate swap transactions, please see APPENDIX B – "AUDITED FINANCIAL REPORT OF THE MIAMI-DADE WATER AND SEWER DEPARTMENT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007."

SERIES 2008C BONDS ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of the proceeds of the Series 2008C Bonds:

	Series 2008C Bonds
Sources of Funds	
Aggregate Par Amount	$
Net Original Issue Premium	
[Other Available Funds of the Department[1]]	
TOTAL SOURCES	$
Uses of Funds	
Redemption of the Refunded Bonds	$
Termination Payment for Series 1994 Swap	
Underwriters' Discount	
Other Costs of Issuance[2]	
TOTAL USES	$

(1) Includes amounts in Debt Service Fund under the Bond Ordinance allocable to the Refunded Bonds and amounts in the separate subaccount in the Reserve Account, which was created for the benefit of the Series 2005 Bonds.

(2) Includes legal fees, financial advisory fees, printing costs, the premiums for the Bond Insurance Policy and the Reserve Account Credit Facility and other costs associated with the Series 2008C Bonds.

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DEBT SERVICE REQUIREMENTS ON THE SERIES 2008C BONDS, OUTSTANDING BONDS AND SUBORDINATE OBLIGATIONS

The following table sets forth the debt service requirements on the Series 2008C Bonds, all Outstanding Bonds and all Subordinate Obligations.

Fiscal Year Ending Sept. 30	Debt Service on Outstanding Bonds[1]	Series 2008C Bonds Principal	Series 2008C Bonds Interest	Series 2008C Bonds Total	Debt Service on Subordinate Obligations[2][3]	Total Debt Service[3]
2008					$ 13,434,451	
2009					13,434,451	
2010					13,434,451	
2011					13,434,451	
2012					13,434,451	
2013					11,321,362	
2014					11,321,362	
2015					10,060,089	
2016					8,798,815	
2017					7,374,342	
2018					5,949,868	
2019					5,138,031	
2020					4,326,193	
2021					4,301,862	
2022					3,758,803	
2023					693,664	
2024					408,146	
2025					-	
2026					-	
2027					-	
2028					-	
2029					-	
2030		-	-	-	-	
Total	$	$	$	$	$ 140,624,792	$

(1) Inclusive of the Series 1995 Bonds, the Series 1997 Bonds, the Series 1999A Bonds, the Series 2003 Bonds, the Series 2005 Bonds and the Series 2007 Bonds. The interest on the Outstanding Bonds has been calculated at their respective fixed rate of interest, and the effect of the swap agreements on the Series 1995 Bonds, the Series 1999A Bonds and the Series 2007 Bonds has not been taken into account. Interest on the Series 2005 Bonds has been calculated based on its fixed-payor interest rate swap of 5.27%. *See* "INTEREST RATE SWAP AGREEMENTS" herein.

(2) For a more complete description of such Subordinate Obligations, *see* "SUBORDINATE OBLIGATIONS" and APPENDIX B – "AUDITED FINANCIAL REPORT OF THE MIAMI-DADE WATER AND SEWER DEPARTMENT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007."

(3) Totals may not add up due to rounding.

THE DEPARTMENT

History

On October 3, 1972, the electorate of the County approved the formation of a new County-wide water and sewer agency by expanding the then-existing Department of Water and Sewer of the City of Miami (the "City"). Subsequently, the Board established the Miami-Dade Water and Sewer Authority (the "Authority") which began operating on April 1, 1973. On March 13, 1975, the City, the County and the Authority agreed to the transfer of all water and sewer properties, facilities and funds of the Department of Water and Sewer of the City to the Authority with the condition that certain property donated by the City would be returned to the City in the future if such property was not needed for water or sewer utility purposes.

On October 4, 1983, the Board enacted Ordinance No. 83-92, which abolished the Authority effective November 1, 1983 and established the Miami-Dade Water and Sewer Authority Department as a department within the Miami-Dade County government. On October 19, 1993, the Department changed its name to the Miami-Dade Water and Sewer Department.

Organization and Administration

The Department is responsible for the everyday operation and maintenance of the Utility. The Utility is administered by the Board under the supervision of the County Manager. John W. Renfrow, P.E., has been the Director of the Department (the "Director") since January 2006.

The Department is divided into two major groups, each under the supervision of a Deputy Director, with eight Assistant Directors, each responsible for a number of specific divisions.

Management

The following are brief resumes of the Director, the two Deputy Directors, and the Assistant Director – Finance:

John Renfrow, P.E., Director, was appointed Director of the Department in January 2006. He has responsibility for the overall direction and management of the Department.

Mr. Renfrow is a Professional Engineer and a Certified Hazardous Materials Manager. An active member of many committees and organizations that make important decisions regarding the County's water and environmental health, he received his Bachelor of Science in Civil Engineering from the University of Miami in 1971. He began his career with the County in 1977, as an Engineer with the Department of Environmental Resources Management ("DERM"). Prior to being named Director, Mr. Renfrow had been serving as the Director of DERM since 1988. Under his direction, DERM grew into a nationally respected local environmental regulator and educator.

Joseph A. Ruiz, Jr., Deputy Director – Operations, was appointed to this newly created position in 2006. Prior to his appointment as Deputy Director, Mr. Ruiz served as Assistant County Manager since June 2004.

Mr. Ruiz received his Bachelor's degree in Economics and History from the University of Miami in 1970. He has more than 30 years of management experience in both the public and private sectors. He has served in a variety of progressively responsible positions with the County, including Chief of the Administrative Division of the former Department of Traffic and Transportation, Chief of Motor Vehicle Safety Inspection, Assistant Director of the Public Works Department and Deputy Director of the Department of Solid Waste Management. In the private sector, he most recently served as Region Vice

President of Waste management de Puerto Rico and Division Vice President for Waste Management of Florida, Inc.

L. Douglas Yoder, PhD., Deputy Director – Regulatory Compliance and Capital Improvements, was appointed to this newly created position in 2006. He is responsible for regulatory compliance and capital improvements.

Dr. Yoder graduated from Cornell University in 1969 with an undergraduate degree in government. He began his public service career with the County in 1971 working in the County Manager's Office. He earned master's and doctoral degrees in public administration from Nova Southeastern University, returning to full time employment with the County as a program manager with DERM in 1977. He was promoted to Assistant Director in 1981 and held that position until his transfer to the Department in February 2006.

Diane A. Camacho, C.P.A., Assistant Director – Finance, was appointed to this position June 2006. Prior to her appointment, Ms. Camacho served as Assistant Director, Finance and Administration for the Miami-Dade Seaport Department since 1998.

Ms. Camacho received a Bachelors of Business Administration with an emphasis in Accounting from Florida International University in 1979. She became a Florida Certified Public Accountant in June, 1980 and spent two years with Arthur Young and Company as an auditor. She was hired by the County in 1982 and spent two years at the Aviation Department and the following seven years at the Department where she reached the position of Assistant Director, Finance. She also spent five years with the Solid Waste department and later seven years at the Seaport Department (Port of Miami) as Assistant Director, Finance and Administration before returning to the Department in 2006. During her 25 years with the County, Ms. Camacho has managed as many as 500 employees, participated in various financing activities, including derivatives, and guided various systems development projects for financial accounting activities.

WATER AND SEWER SYSTEM

General

The Utility is divided into the Water System and the Sewer System. The Department administers each system on a unified basis for purposes of billing but separates the two for rates, capital improvements and accounting.

Service Area

The Utility currently provides water and wastewater treatment to substantially all of the County either directly to retail customers or indirectly through wholesale contracts between the Department and various municipalities. The County is the largest county in the Southeastern United States with a land area of 2,209 square miles. In 2007 the population of the County was estimated by the County's Planning and Zoning Department at approximately 2,468,000. *See* APPENDIX A – "GENERAL INFORMATION REGARDING MIAMI-DADE COUNTY, FLORIDA."

The Department's long-term objective of expansion to Countywide operation has been achieved by the acquisition of all privately-owned utilities in the County. Since 1973, the Department has acquired twenty-five (25) independent systems.

The Department supplies treated water on a wholesale basis to 15 municipally-owned water utilities in the County and to approximately 417,000 retail water customers. The only municipalities in the County which currently operate water treatment facilities for customers located primarily within their

municipal boundaries are the City of Homestead, Florida City and North Miami. The City of North Miami Beach operates a water treatment facility which serves approximately two-thirds of their customers who do not live in their municipal boundaries. The Department also provides wastewater transmission treatment and disposal service on a wholesale basis to 12 municipally-owned wastewater utilities and Homestead Air Force Base, and to approximately 334,000 retail sewer customers as of September 30, 2006. The City of Homestead is the only municipality in the County which owns and operates its own wastewater treatment plant. *See* "WATER AND SEWER SYSTEM – Sewer System" below.

Water System

General. The principal components of the Water System include 14 wellfields, with a total of 90 active permitted wells in the Biscayne Aquifer and five installed aquifer storage and recovery wells in the Floridan Aquifer, three major water treatment plants, five smaller water treatment plants, two lime recalcining plants, and an extensive transmission and distribution system composed of storage reservoirs, pump stations and an interconnected network of transmission and distribution mains.

Sources. The Department draws its raw water primarily from the surficial Biscayne Aquifer, a non-artesian (or near surface) aquifer which underlies an area of about 3,200 square miles in Miami-Dade, Broward and Palm Beach counties. The Upper Floridan Aquifer, which underlies most of the State and ranges from a subsurface depth of 200 feet to 1,700 feet, is also an artesian water source. However, because water from the Upper Floridan Aquifer has a higher content of salt, its water is much more expensive to process. Therefore, the Upper Floridan Aquifer is a less desirable water source.

In 2004, the Department applied to the South Florida Water Management District (the "District") for a 20-year consumptive use permit. The District evaluated the application and, in January 2006, notified the Department that it could use the surficial Biscayne Aquifer as a source of supply only for current demands but, not for future growth. Thus, water for growth has to come from alternative sources. In May 2006, the County and the District entered into an Interim Consumptive Use Authorization and Agreement for a period of 18 months to authorize an allocation and to allow time for the Department to develop an alternative water supply plan. The Department has developed the plan and submitted it to the District for evaluation. The plan includes the use of the Biscayne Aquifer to meet current demands and also for future growth, but provides that additional amounts will be offset by providing ground water replenishment with highly treated reclaimed water. The Department is also proposing the use of the Floridan Aquifer to blend with water from the Biscayne Aquifer and also as a source of water to be treated with reverse osmosis. On November 15, 2007, the District issued a consolidated 20-year Water Use Permit, which sets limits on the use of the Biscayne Aquifer and the Floridan Aquifer. In addition, the permit includes a schedule for the construction of the alternative water supply projects needed to meet demands.

Collection and Production. The Department collects its raw water from 14 existing wellfields which use the Biscayne Aquifer as the source water supply. In order to process and prepare raw water for consumption, the Department operates three major water treatment plants, five smaller water treatment plants, two lime recalcining plants and an extensive transmission and distribution system composed of storage reservoirs, pump stations and a network of transmission and distribution water mains. The five smaller treatment plants, which have a combined treatment capacity of 12.0 mgd, serve the extreme southern part of the County.

Water Treatment Plants. The following chart reflects the allocations, rated capacities and actual flows for the County's water treatment plants.

Component	Hialeah/Preston	Orr	South Dade Water System[1]
Plant Rated Capacity	225.0 mgd[2]	248.0 mgd[3]	12.0 mgd
Actual Flows[4]			
Average Daily	149.8 mgd	165.9 mgd	6.6 mgd
Peak Day	178.2 mgd	181.5 mgd	10.8 mgd

(1) Represents five smaller water treatment plants in southern Miami-Dade County.
(2) Hialeah Plant permit capacity is 60 mgd and Preston Plant is 165 mgd for a total of 225 mgd.
(3) Treatment facility capacity is 248 mgd but the permit is currently limited to 217.47 mgd, with use of the aquifer storage and recovery wells.
(4) For the 12 months ending December 2007.

Source: The Department

The Board has approved a Joint Participation Agreement between the County and the City of Hialeah ("Hialeah") to jointly fund a reverse osmosis water treatment plant (the "Plant") at a cost of approximately $160 million, which will produce a maximum of 17.5 mgd when completed. The County and Hialeah will share equally in the construction, operations and maintenance costs (the "Plant Costs") and will benefit equally from the water produced. The Plant Costs are not anticipated to have a material adverse impact on the rates, revenues and operations of the Department. The Plant is a project included in the multi-year capital improvement plan.

Transmission. High service pumping facilities located at each of the three major water treatment plants and a low pressure system deliver water directly to the Department's four high service pump stations. From there, the water is distributed through 7,300 miles of water mains, ranging in size from 2 to 72 inches in diameter, to the ultimate users.

Water Conservation. The service area is subject to wide fluctuations in rainfall, not only in total annual amount, but also month-to-month. An extended dry period usually results in substantial water usage for residential irrigation and corresponding peak demands on the Utility. In response, the Department encourages water conservation through certain water use restrictions, rates and other methods. The conservation program includes:

- Leak detection and repair;
- Recycling the water used to backwash filters at treatment plants;
- Reduction of transmission main pressure during periods of critical water shortage;
- Brochures and public information mailed with bills giving advice on water conservation;
- Using wastewater treatment plant effluent at the wastewater treatment plants for process water, cleanup and landscape irrigation;
- Cooperation with Florida International University ("FIU") to use treated effluent from the North District Plant for landscape irrigation at nearby FIU Bay Vista Campus;

- Enforcement of an ordinance that required "Xeriscape" landscaping which favors use of plants and ground cover that require less irrigation for residential and commercial facilities;
- Aquifer storage and recovery;
- Low flow shower head exchange program;
- Toilet and high efficiency washer rebate;
- Green lodging; and
- Water Education for Teachers (WET) in the County.

Water Quality. The Safe Drinking Water Act (the "Water Act") and the related drinking water standards in the Florida Administrative Code have established quality standards designed to reduce the allowable concentration of a variety of substances. The Water Act also requires local water utilities to issue "consumer confidence reports" describing the source and quality of the water they provide. The Department's "Water Quality Report" provides the required information.

Regulations promulgated in December 1998 pursuant to the Water Act established maximum contaminant levels for two groups of water disinfection byproducts ("DBPs"): (i) total trihalomethanes and (ii) haloacetic acids. Utilities were required to comply by January 2004 with the standards established and the Department has adopted these standards. Based on treatment existing in 1998, the John E. Preston Water Treatment Plant was the Department's only plant that could not comply with the proposed standards. Pilot studies conducted by the Department regarding this issue demonstrated that enhanced softening was the most effective method for treating water to meet the new standards under Stage 1 of the DBP rules. The Department modified the treatment in order to comply with the regulations.

The Department is in compliance with regulations of the U.S. Environmental Protection Agency (the "EPA") intended to control the leaching of lead and copper from household plumbing into the water supply. A comprehensive sampling and testing program has been completed. All distribution systems were found to be satisfactory under the new regulations. Tri-annual follow-up sampling and testing for lead and copper is ongoing. To further improve the stability of the water, the Department has developed and is implementing a program which is designed to reduce lead and copper levels at the customer's tap. Bi-weekly monitoring for water quality parameters that validate optimized treatment is ongoing in accordance with regulations.

See "REGULATORY MATTERS" for a detailed description of certain regulatory matters with respect to the Water System.

Sewer System

General. The Department's Sewer System consists of collection sewers, manholes, lift stations, force mains, interceptors, pump stations and three regional wastewater treatment plants: the North District Wastewater Treatment Plant at Interama (the "North District Plant"), the Central District Wastewater Treatment Plant at Virginia Key (the "Central District Plant") and the South District Wastewater Treatment Plant at Blackpoint (the "South District Plant").

Collection. There has been steady growth in the wastewater service provided by the Department due to an increase in total population in the County, the acquisition of small utilities and the extension of sewers to areas served by septic tank systems. The amount of wastewater treated annually, however, may vary significantly depending upon the amount of annual rainfall.

Wastewater is brought to the Department's treatment facilities through local collection facilities which include gravity sewers, manholes, lift stations and force mains. The Department has divided the County into three districts in which wastewater is collected and transmitted to a wastewater treatment plant located in each of the three districts. The districts are interconnected to allow for limited redirection of flows.

The maintenance and improvement of the Utility's 1,006 sewage pump stations is one of the requirements of the terms of the Second and Final Partial Consent Decree (as defined under "REGULATORY MATTERS"). The Department's program to upgrade its sewage pump stations is continuing. A typical station upgrade includes improvements to the electric service, controls and alarm systems, the replacement of motors, the addition of pumps or a complete replacement pump station.

Groundwater, stormwater or other water not requiring treatment introduced into the Sewer System overloads pump stations and treatment plants. The cost of pumping and providing treatment for this excess water is substantial. Consequently, the Department has established an Infiltration/Inflow Reduction Program to conduct Sewer System evaluations and to rehabilitate the system by repairing pipes where feasible, replacing pipes damaged beyond repair, installing leakproof manhole covers and repairing manholes. Many of the program activities will be perpetually required to maintain the Sewer System's integrity and to continually reduce infiltration and inflow amounts. The Department has re-focused the program on service laterals which exhibit "leakage" during storms. The Department is currently conducting a Comprehensive Lateral Pilot Program to determine the feasibility and cost-effectiveness of repairing service laterals for the reduction of wet weather inflow and rain-induced infiltration.

The Department has an on-going program of inspection and correction to address the corrosive effects of hydrogen sulfide (a by-product of raw sewage) on its concrete force mains. The Department periodically inspects mains and implements corrective action with respect to any affected main.

Wastewater Treatment Plants. The Department operates three regional wastewater treatment plants located in various sections of the County as described above. The three plants have a combined installed treatment capacity of 375.5 mgd of wastewater and are currently permitted at 368 mgd. The following table summarizes the treatment permit parameters and the actual flows of each of the County's wastewater treatment plants.

	North District	Central District	South District	Total
Installed Treatment Capacity	120.0	143.0	112.5	375.5
Permit Parameters				
Average Daily Flow, mgd	112.5	143.0	112.5	368
Effluent $CBOD_5$, mg/L[1]	30/20[3]	30	20	-
Effluent Suspended Solids, mg/L	30/20[3]	30	20	-
Actual Flows 12-Month Average for Fiscal Year 2007				
Average Daily Flow, mgd[2]	89.9	110.9	92.1	292.9
Effluent $CBOD_5$, mg/L[2]	10.0	7.7	4.4	-
Effluent Suspended Solids, mg/L[2]	15.5	7.9	8.5	-

(1) "$CBOD_5$" means Chemical Biological Oxygen Demand; "mg/L" means milligrams per liter.
(2) These levels are below those allowed by permit
(3) 30mg/L in secondary effluent going to the outfall; 20mg/L in effluent going to the wells.

Source: The Department

Disposal of Sludge and Treated Wastewater. The disposal of the by-products of the treatment process (sludge and effluent or treated wastewater) is an important part of the Department's plans to improve and expand its Sewer System. Steps taken by the Department in accordance with this plan are discussed in the following paragraphs.

Sludge is stabilized in anaerobic digesters at the Central District and South District Plants. After stabilization, sludge is dewatered in centrifuges to form a cake, a material that is dry enough to be loaded and hauled in a dump truck. Stabilized sludge cake can be disposed of in Class I Solid Waste Landfills. The stabilized cake can also be used as an agricultural soil supplement because it meets the requirements for Class B material, but only with State approved permits which require a substantial amount of documentation, monitoring and record keeping. After dewatering, the sludge cake can be further dried on paved drying beds and then composted to produce Class AA residuals, which can be sold as a soil supplement with relatively few restrictions. At the South District Plant, sludge cake is further dried on paved beds and a portion is composted to Class AA standards and sold as a soil supplement. The Department has discontinued the use of the sludge drying beds and composting facilities at the Central District Plant in order to reduce odors, which had caused complaints at a neighboring residential community. To this end, the Department has negotiated agreements to dispose of sludge cake; in accordance with these agreements, the sludge cake is disposed of by hauling and placing it in landfills or utilized as Class B agricultural soil supplement. The Department is developing a twenty year biosolids master plan.

Disposal of treated wastewater at the North District Plant, which currently has a permitted treatment capacity of 112.5 mgd, is accomplished by discharge into the Atlantic Ocean. The installed treatment capacity at the North District Plant was expanded to 120 mgd pursuant to the Settlement Agreements with the FDEP and the plant is currently conducting operational testing for two of the four deep injection wells prior to FDEP operational approval for all four wells. The Central District Plant also disposes of effluent by discharge into the Atlantic Ocean. The most recent environmental studies conducted by the EPA and examinations by the State and the Department conducted in 1994 have shown "no irreparable harm" and "no unreasonable degradation" to the environment as a result of the discharge of effluent from the North District Plant and the Central District Plant into the Atlantic Ocean.

The South District Plant disposes of its effluent through deep injection wells to the Lower Floridan Aquifer at a depth below 2,400 feet. The South District Plant has a permitted treatment capacity of 112.5 mgd and actual treatment capacity of 112.5 mgd. During the past 10 years, the Department constructed five additional deep-injection wells as part of its 112 mgd plant expansion project, but only one of these wells had received an operational permit. On April 29, 2004, the Department entered into a Consent Order (the "Order") with the FDEP to address the operation of the injection wells. The Order approved operational testing of the remaining four injection wells, and required the upgrade of the treatment process, *see* "REGULATORY MATTERS" for a more detailed description of the Order. With five additional wells operational, the actual treatment capacity at the South District Plant is sufficient to handle the average day effluent disposal requirements of the South District Plant.

The Department continues to explore different ways to reuse effluent. The practicality of reuse is affected by the cost of the added treatment, the cost of transmission and distribution systems, the possibility of contaminating the drinking water system through inadvertent cross connections, public attitudes about using treated wastewater and the quality of the water available for reuse. The Department has constructed a 5.5 mgd filtering system. The Department has also constructed a transmission main to provide 95,000 gallons per day of treated effluent from the North District Plant to Florida International University's ("FIU") Bay Vista Campus for use in land irrigation (the "FIU Project"). Finally, in order to meet the requirements of the in-kind reuse projects required by the Settlement Agreements and the EPA Second and Final Partial Consent Decree (which requires the expenditure of $5,855,000 in public access reuse), the Department has constructed and is using a public access project to provide irrigation water at

two wastewater treatment plants and potable water replacement for processes at the three wastewater treatment plants. In April 2007, the Department completed an updated Reuse Feasibility Study. *See* "REGULATORY MATTERS – Sewer System Settlement Agreements and Consent Decrees" herein.

Environmental Quality Management

The public's concern for environmental quality is reflected in many of the Department's activities, from meeting the effluent discharge quality limits and the changing water quality standards to providing facilities that are unobtrusive and have minimum adverse impact on the environment. Federal, state and local regulations regarding preservation of wetlands impact nearly all land development activities in South Florida, including those of the Department and private developers. The necessity of protecting wetlands has required revisions to Department construction plans in the past, and will continue to do so with such requirements possibly increasing the cost of future Department projects. If a project is essential for the welfare of the community, and damage to valuable ecologic systems is unavoidable, the permits may be issued with provisions for mitigating the losses by constructing or upgrading wetlands, planting mangroves or some similar program at a different location.

Since few sites remain for future plant locations which are not wetlands or near existing residential neighborhoods, it is anticipated that future water and sewage treatment plant expansions will require special design features such as multistory construction to minimize land requirements, special architectural and acoustical treatments, and odor control systems to make them unobtrusive.

Elimination of the Use of Ocean Outfalls

On June 30, 2008, the Florida Governor signed a bill into law that prohibits the construction of new ocean outfalls. The new law, which became effective July 1, 2008, requires the Department to (i) submit a plan by 2013 for compliance with the advanced wastewater treatment and management requirements related to the use of nutrient removal and high level disinfection technology; (ii) meet the provisions of the advance wastewater treatment and management requirements by December 31, 2018, either by (a) provision of advanced wastewater treatment to all ocean outfall flows, or (b) reducing the volume of wastewater effluent disposed through ocean outfall flows between December 31, 2008 and December 31, 2025 so that the reduction in nutrients discharged would be the same as with advanced wastewater treatment, or (c) use of a combination of advanced wastewater treatment and diversion of ocean outfall flows to meet the nutrient reduction level required on December 31, 2018. By December 31, 2025, a fully functioning reclaimed water system must be installed using a minimum of 60% of the ocean outfall flows for irrigation, groundwater replenishment, industrial cooling or other acceptable forms of reclaimed water.

The Department's plans to meet the advance wastewater treatment and management requirements includes revising its Wastewater Facilities Master Plan to incorporate such requirements and, in doing so, analyzing and evaluating the existing budgeted projects in light of the new requirements. While the cost of eliminating the two large ocean outfalls that the Department currently uses (North District and Central District) is estimated at roughly $2 to $3 billion, it is clear that some planned projects currently budgeted will be affected by the new regulations and the impact or potential capital savings will not be available until such time as the revisions to the Wastewater Facilities Master Plan are well underway.

Regulations

Other than the matters described in "REGULATORY MATTERS" the Department is in compliance with all other material federal, state and local rules and regulations.

Everglades Remedial Program

The federal Water Resources Development Act of 2000 approved the Comprehensive Everglades Restoration Plan ("CERP"), which was developed by a multi-agency study team led by the U.S. Army Corps of Engineers. The CERP provides a framework and guide to restore, protect and preserve the water resources of central and southern Florida, including the Everglades. The CERP includes more than 60 projects, will take more than 30 years to construct, and will cost an estimated $10.9 billion. The CERP projects that will be the responsibility of the Department are the South and West Miami-Dade Reuse Projects, which are currently scheduled for Band 4 (2020-2025). The Wastewater Reuse Technology ("WRT"), which is scheduled for Band 3 (2015-2020) has been initiated by the Department as part of the Interim Consumptive Use Authorization and Agreement with the District. The purpose of the WRT is to determine whether advanced wastewater reuse can meet the restoration requirements of the Project in a cost effective manner.

The WRT and the full scale South Miami-Dade Reuse projects are part of the Department's proposed water reclamation projects and they have been included in the capital plan.

Security

Security at the Department's facilities has remained high since the September 11, 2001 attacks, and in 2002 the Board enacted an ordinance addressing long-term security at the Department's facilities, including wellfields and treatment plants. The ordinance specifically authorized the Department's Director to take any actions deemed necessary in an emergency, to secure the Department's facilities. The Director has already determined that a need exists to maintain increased security at the Department's facilities. Another important component of the ordinance is the issuance of new identification cards for all Department employees, contractors and visitors.

The Department has implemented a number of proactive measures to enhance the security of its water facilities as well as its response capabilities. Ten staff members have been licensed in the Risk Assessment Methodology Method for Water (RAM-W) for conducting vulnerability assessments. The vulnerability assessment of the water system was completed in March 2003 and submitted to the EPA as mandated. The Department has prepared its Emergency Response Plan (ERP) in accordance with the EPA regulations. This was submitted to the EPA prior to September 30, 2003. In accordance with federal requirements, the Department continues to assess, identify and implement feasible opportunities to minimize the vulnerability of the Department's facilities. This program is anticipated to cost in excess of $4 million when fully implemented. All major water plants are completed.

The EPA has not yet mandated performing vulnerability assessments of wastewater systems. The Department will perform a vulnerability assessment of its sewer system, which will encompass an assessment of its wastewater treatment facilities, the collection system, and the pumping and transmission system. However, the Department is addressing hardening of all facilities security until the assessment is completed.

The Department has hired a manager and supervisor that are dedicated to security at the Department's facilities. A program of security checks for contractors, including background checks through Miami-Dade Police Department, has been implemented. Additionally, staff working in sensitive plant areas are subject to federal background checks.

Insurance

The Department is insured against loss to facilities through a blanket property insurance program covering real and personal property, including boiler and machinery. Scheduled properties include various wastewater treatment plants, regional water treatment plants, pump stations, water storage

facilities, maintenance facilities, ocean outfalls, headquarters building, and leased properties. The current schedule of values is approximately $1.7 billion.

The current program has a limit of $200 million with a deductible of $1,000,000 for most perils. The program has a 5% named windstorm deductible with a $250,000 minimum and $30,000,000 maximum at each location. Terrorism coverage is provided for both certified and non-certified acts.

The Department is covered under the County's self insurance program for liability claims, which is administered by the Risk Management Division of the General Services Department in accordance with Section 768.28, Florida Statutes as amended. F.S. §768.28 provides that tort claims against municipal governments are limited to $100,000 per claim and $200,000 in aggregate for any event or occurrence without a specific act of the Florida Legislature. This limitation applies to most of the liability claims that arise against the County or any local government in Florida, although certain liability claims such as claims under civil rights statutes, are not subject to these limitations.

WATER AND SEWER CUSTOMERS AND REVENUES

Accounts

The Department receives revenues for the sale of its water and sewer services from retail as well as wholesale customers.

The numbers of retail customers for the past five years are as follows:

Active Retail Customers

	For Fiscal Year Ended September 30				
	2003	2004	2005	2006	2007
Water	391,227	398,318	406,059	412,121	416,620
Sewer	309,480	316,257	323,615	329,615	334,426
Percent ratio sewer customers to water customers	79.1%	79.4%	79.7%	79.9%	80.3%

Source: The Department

The current wholesale customers of the Utility are:

Water	Sewer
Bal Harbour	Coral Gables
Bay Harbor Islands	Florida City
Hialeah	Hialeah
Hialeah Gardens	Hialeah Gardens
Indian Creek Village	Homestead
Medley	Homestead Air Force Base
Miami Beach	Medley
Miami Springs	Miami Beach
North Miami	Miami Springs
North Miami Beach	North Miami
North Bay Village	North Miami Beach
Opa-Locka	Opa-Locka
Surfside	West Miami
Virginia Gardens	
West Miami	

Source: The Department

The ten largest customers for the Utility for Fiscal Year ended September 30, 2007 were:

Water System

Name	Dollar Amount (in thousands)	Percent of Utility Gross Revenues
City of Miami Beach	$8,724	4.6%
City of Hialeah	8,009	4.2
City of North Miami Beach	2,847	1.5
Miami-Dade County Aviation Department	2,500	1.3
City of North Miami	2,009	1.1
City of Opa-Locka	1,041	0.5
Florida Power & Light Company	945	0.5
City of Miami Springs	846	0.4
Hialeah Gardens	773	0.4
Bal Harbour	582	0.3

Source: The Department

Sewer System

Name	Dollar Amount (in thousands)	Percent of Utility Gross Revenues
City of Miami Beach	$15,029	6.3%
City of Hialeah	13,378	5.6
City of North Miami	6,583	2.8
City of Opa-Locka	2,395	1.0
City of Miami Springs	2,236	0.9
Homestead	2,127	0.9
City of Coral Gables	2,105	0.9
Miami-Dade County Aviation Department	1,576	0.7
City of North Miami Beach	1,406	0.6
Hialeah Gardens	1,069	0.4

Source: The Department

Rates

Effective October 1, 2007, the Department's retail rates were increased by 4.8% consistent with the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for "All Urban Consumers Water & Sewage Maintenance – U.S. Cities Average." The Board approved use of a "maintenance index" annually to provide additional revenues to recover increases in the Utility system's requirements. This water and sewer maintenance index cannot exceed U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for "All Urban Consumers Water & Sewage Maintenance – U.S. Cities Average." Wholesale rates remained unchanged.

Retail rates for Fiscal Year 2009 are being projected to increase by 5.2% based on the maintenance index and wholesale customers are projected to receive a 33% water rate increase and a 2.7% decrease in sewer rates, along with elimination of the current "smoothing mechanism" and initiation of an annual true-up of prior year wholesale rates.

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MIAMI-DADE WATER AND SEWER DEPARTMENT
SCHEDULE OF RATES

RETAIL CUSTOMERS

WATER:

Effective
October 1, 2007

Meter Charge:

Meter Size	Monthly Charge
5/8"	$3.20
1"	$8.61
1.5"	$13,43
2"	$28,73
3"	$61.32
4"	$95.77
6"	$153.23
8"	$268.16
10"	$574.63
12"	$1,085.41
14"	$2,043.13
16"	$3,830.87

Monthly	Monthly Charge
Flow Rate All Usage:	
Usage per 100 cubic feet (ccf):	
0 to 5 ccf	$0.3740
6 to 10 ccf	$1.5708
11 to 17 ccf	$2.0720
18 ccf and over	$2.9845
Usage per 1,000 gallons:	
0 to 3,740 gallons	$0.50
3,741 to 7,480 gallons	$2.10
7,481 to 12,716 gallons	$2.77
12,717 gallons and over	$3.99

NOTE: 100 cubic feet (ccf) equals 748 gallons

Multi-Family Dwellings (MFD) – based on individual units for retail water

Source: The Department

MIAMI-DADE WATER AND SEWER DEPARTMENT
SCHEDULE OF RATES

RETAIL CUSTOMERS

WATER:

Effective
October 1, 2007

Meter Charge:

Meter Size	Quarterly Charge
5/8"	$9.60
1"	$25.83
1.5"	$40.29
2"	$86.19
3"	$183.96
4"	$287.31
6"	$459.69
8"	$804.48
10"	$1,723.89
12"	$3,256.23
14"	$6,129.39
16"	$11,492.61

Quarterly	Quarterly Charge
Flow Rate All Usage:	
Usage per 100 cubic feet (ccf):	
0 to 15 ccf	$0.3740
16 to 30 ccf	$1.5708
31 to 51 ccf	$2.0720
52 ccf and over	$2.9845
Usage per 1,000 gallons:	
0 to 11,220 gallons	$0.50

11,221 to 22,400 gallons	$2.10
22,441 to 38,148 gallons	$2.77
38,149 gallons and over	$3.99

NOTE: 100 cubic feet (ccf) equals 748 gallons

Multi-Family Dwellings (MFD) – based on individual units for retail water

Source: The Department

MIAMI-DADE WATER AND SEWER DEPARTMENT
SCHEDULE OF RATES

RETAIL CUSTOMERS

WASTEWATER DISPOSAL:

	Effective October 1, 2007
Monthly	**Monthly Charge**
Base Facility Charge	$3.25
Flow Rate All Usage:	
Usage per 100 cubic feet (ccf):	
0 to 5 ccf	$1.3838
6 to 17 ccf	$3.0818
18 ccf and over	$3.7326
Usage per 1,000 gallons:	
0 to 3,740 gallons	$1.85
3,741 to 12,716 gallons	$4.12
12,717 gallons and over	$4.99
Quarterly	**Quarterly Charge**
Base Facility Charge	$9.75
Flow Rate All Usage:	
Usage per 100 cubic feet (ccf):	
0 to 15 ccf	$1.3838
16 to 51 ccf	$3.0818
52 ccf and over	$3.7326

Usage per 1,000 gallons:

0 to 11,220 gallons	$1.85
11,221 to 38,148 gallons	$4.12
38,149 gallons and over	$4.99

NOTE: 100 cubic feet (ccf) equals 748 gallons

Multi-Family Dwellings (MFD) – based on individual units for retail wastewater

Source: The Department

MIAMI-DADE WATER AND SEWER DEPARTMENT
SCHEDULE OF RATES

WHOLESALE CUSTOMERS

	Effective October 1, 2007
WATER CUSTOMERS:	
Hialeah and Miami Springs	
Flow rate per 1,000 gallons	$0.9733
All Other Wholesale Customers	
Flow rate per 1,000 gallons	$1.100
WASTEWATER CUSTOMERS:	
Rates for Wet Season (May 1 to October 31 Annually)	
Flow rate per 1,000 gallons	$1.9500
Rates for Dry Season (November 1 to April 30 Annually)	
Flow rate per 1,000 gallons	$1.5200

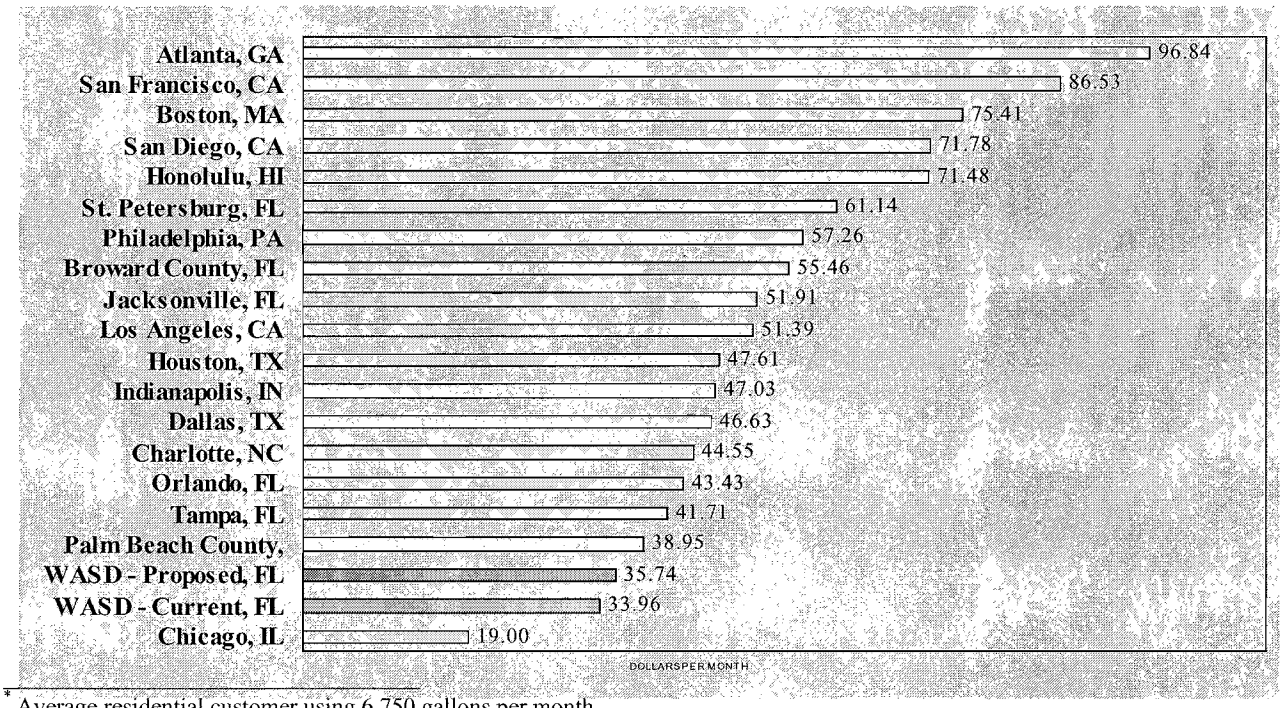
NOTE: 100 cubic feet (ccf) equals 748 gallons

Source: The Department

Rate Comparison

The combined water and sewer bills of the Department are generally lower than those of comparable water and sewer utilities in other parts of the U.S. as shown in the following table:

COMBINED WATER AND SEWER BILLS
FLORIDA MUNICIPALITIES AND MAJOR U.S. CITIES
FOR THE AVERAGE RESIDENTIAL CUSTOMER*
EFFECTIVE OCTOBER 1, 2007[1]



* Average residential customer using 6,750 gallons per month.
[1] Miami-Dade's rate effective October 1, 2008.

Source: The Department

Billing and Collection

The Department is responsible for all billing and collections. Of its approximately 417,000 customers, 402,000 are billed quarterly and 15,000 are billed monthly. Whether a customer is billed monthly or quarterly depends upon consumption. Once a customer's average monthly usage, established over a one-year period, exceeds 100,000 gallons, then the customer is billed monthly. All system-produced bills are normally mailed 2 to 3 days after meter readings are obtained. The past due date on all bills is 21 days after the billing date. A 10% late charge is assessed on any portion of the water and/or sewer charge, which remains unpaid after the past due date and a delinquent bill is mailed. Forty-two days after billed, unpaid accounts with a balance greater than $100 are included on a potential disconnect list. Accounts from this list are processed for disconnection of service. If an account remains unpaid 10 days after service has been discontinued, the customer is sent a final bill. A special assessment lien is filed against any owner-occupied real property, which has received services and has charges that are more than 60 days past due and unpaid. The Department may proceed against lessees to collect delinquent water and sewer charges. In the event a variance or discrepancy in a customer's usage is discovered, the Department will investigate to determine the cause. Supplemented bills will be sent to the customer with adjustments and such bills are subject to the same deadlines and penalties as regularly prepared bills. The Department issues adjusted and corrected bills for various reasons such as leaks, misreadings, coding errors, administrative rulings, backbillings and stopped or inaccurate meters.

Annually, the Department analyzes and records a bad debt reserve for accounts that may be written off. Additionally, the Department performs an annual write-off of retail accounts if the balance due is under $500 and the final bill is more than two years old. The Department writes off accounts where the balance due is $500 or more, is more than two years old, has been referred to a collection agency for at least one year and the Department determines that the amount is uncollectible. The write-off is for accounting purposes only. The Department continues to legally pursue payment from the delinquent customer.

Efficiency Program

In January 1998, the Mayor established the "Efficiency and Competition Commission" in an effort to provide the citizenry with the best in government services at prices competitive with the private sector. Building on this impetus, in March 1998, the Department initiated "POWER," a **P**artnership **O**ptimizing **W**ASD's (the Department's) **E**fficiency and **R**eengineering. The POWER program was implemented as a collaborative agreement with AFSCME Local 121 and the Government Supervisors Association of Florida.

Since the inception of the POWER program, the Department has documented efficiency savings of more than $28.8 Million (as of September 30, 2007), and provided gainsharing to employees as incentives for continuous improvements. The POWER program accomplishments include: efficiency savings; improvements to customer service; and complying with federal and state regulations. The POWER program has been such a success that the National Association of Counties selected the program for an Achievement Award "in recognition of an innovative program which contributes to and enhances county government in the United States." In addition, the Department received the prestigious "Gold Award for Competitiveness Achievement" and the "Platinum Award for Sustained Competitiveness" from the Association of Metropolitan Water Agencies.

FINANCIAL OPERATIONS

Utility Revenues, Operation and Maintenance Expenses, as well as certain assumptions and opinions pertaining to such financial data are described in the Audited Financial Report of the Miami-Dade Water and Sewer Department for Fiscal Year Ended September 30, 2007. *See* APPENDIX B – AUDITED FINANCIAL REPORT OF THE MIAMI-DADE WATER AND SEWER DEPARTMENT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007."

Historical Results of Operations and Debt Service Coverage

The following table summarizes audited historical operating results for the Utility for fiscal years ended September 30, 2003 through 2007. The historical results have been prepared based on information provided in the Department's audited financial statements for those years. The table also reflects the historical debt service coverage based on historical Pledged Revenues and debt service requirements.

HISTORICAL OPERATING RESULTS AND DEBT SERVICE COVERAGE
($ in thousands)
(Fiscal Year Ended September 30)

	2003	2004	2005	2006	2007
OPERATING REVENUES:					
Retail	$273,710	$295,176	$297,374	$341,555	$330,475
Wholesale	69,565	71,501	75,013	78,310	75,690
Other	18,827	18,896	19,573	20,450	22,455
Total operating revenues	$362,102	$385,573	$391,960	$440,315	$428,620
OPERATING AND MAINTENANCE EXPENSES:					
Source of supply	$ 5,248	$ 5,110	$ 5,710	$ 5,381	$ 6,710
Collection system	13,193	14,534	15,582	18,111	19,965
Pumping	25,785	26,095	27,800	33,605	34,647
Treatment	86,991	89,511	105,427	118,524	121,931
Transmission and distribution	21,086	21,452	21,900	23,081	25,747
Customer accounting and service	19,915	22,505	22,704	22,974	27,599
General and administrative	46,173	53,706	59,256	71,210	74,028
Total operating and maintenance expenses	$218,391	$232,913	$258,379	$292,886	$310,627
Operating income before depreciation	$143,711	$152,660	$133,581	$147,429	$117,993
PRIMARY DEBT SERVICE COVERAGE:					
Net Operating Revenues	$143,711	$152,660	$133,581	$147,429	$117,993
Investment Earnings[1]	18,923	3,489	13,781	19,324	32,170
Net Transfers from (to) Rate Stabilization Fund	48,941	23,136	11,238	-	-
Net revenues available for debt service	$211,575	$179,285	$158,600	$166,753	$150,163
Debt service requirements[2]	115,629	114,196	104,123	110,848	113,291
Actual coverage	1.83x	1.57x	1.52x	1.50x	1.33x
Required coverage	1.10x	1.10x	1.10x	1.10x	1.10x
SUBORDINATED DEBT SERVICE COVERAGE:					
Net revenues available for debt service	$211,575	$179,285	$158,600	$166,753	$150,163
Less: Maximum principal and interest[3]	115,629	115,272	115,032	121,933	124,620
Adjusted net revenues	$95,946	$64,013	$43,568	$44,820	$25,543
Debt service and reserve requirements[4]	15,348	14,053	15,205	15,328	11,563
Actual coverage	6.25x	4.56x	2.87x	2.92x	2.21x
Required coverage	1.00 x	1.00x	1.00x	1.00x	1.00x
STATE REVOLVING FUND LOANS DEBT SERVICE COVERAGE:					
Net revenues available for debt service	$211,575	$179,285	$158,600	$166,753	$150,163
Less: revenue required for primary debt service coverage[5]	127,192	125,615	114,536	121,933	124,620
Adjusted net revenues	$84,383	$53,670	$44,064	$44,820	$25,543
Debt service requirements[6]	14,870	13,966	15,205	15,328	11,563
Actual coverage	5.67x	3.84x	2.90x	2.92x	2.21x
Required coverage	1.15x	1.15x	1.15x	1.15x	1.15x

(1) Excludes interest income from Construction Fund.
(2) Represents debt service requirements on outstanding Bonds for such fiscal year.
(3) Maximum principal and interest requirements on the Bonds for such fiscal year.
(4) Represents debt service and reserve requirements on subordinate obligations.
(5) Represents 110% of primary debt service requirements.
(6) Represents debt service requirements on outstanding State Revolving Fund Loans for such fiscal year.

Source: Water and Sewer Department's Comprehensive Annual Financial Report For The Fiscal Year Ended September 30, 2007.

Management's Discussion

During the Fiscal Year 2006 budget process, the Department addressed the issue of revenue sufficiency with the Board, which included the need for reasonable annual rate increase to address the

operating and maintenance cost increases that occur as a normal part of business each year. For Fiscal Year 2006, the Board approved a rate increase of 7.72% for the average 6,750 gallon retail customer and the Board acknowledged the need for some type of annual increase based upon a "maintenance index." For the Fiscal Year 2007, the Board approved a rate increase for the average retail customer, effective January 1, 2007, of 4.5% based on the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for "All Urban Consumers Water and Sewage Maintenance – U.S. Cities Average." For the Fiscal Year 2008 budget, the Department requested and received an increase of 4.8% based on the same maintenance index. Revenues over the past five years have increased 18% from $362 million to over $428 million.

Operating Expenses have also increased over the last five years, rising by 42.2% from $218 million to over $310 million with the largest increases coming in the functional areas of pumping, treatment and general and administrative. The primary drivers of these increases include fuel costs, electricity, personnel costs, insurance, technology and security. Contributing to the operational side costs are increasingly stringent regulations regarding water treatment processes.

The Department maintains both a General Reserve Fund and a Rate Stabilization Fund to provide for contingencies and to mitigate rate increases. As of the end of Fiscal Year 2007, the Department's General Reserve Fund and Rate Stabilization Fund totaled over $65 million.

MULTI-YEAR CAPITAL IMPROVEMENT PLAN

The Department has for many years used a formal capital program and budgeting process. Under this process, capital programs are projected forward over a 6-year period and beyond and a detailed budget is adopted for the first year of each multi-year. Both program and budget commitments are reviewed each year and modified as necessary.

Set forth on the following page is a summary of the Department's funding sources for its Multi-Year Capital Improvement Plan ("MYCIP") for Fiscal Years 2008 through 2017. The funding of the MYCIP includes proceeds of the Outstanding Bonds, Additional Bonds and Subordinate Obligations, as well as certain annual revenue sources of the Department. These MYCIP capital expenditures consist of the design, construction and construction management expenses associated with capital improvements related to the expansion of the wastewater treatment and collection facilities, the expansion and improvements to the water treatment plants and facilities including the pumping stations, water main rehabilitation, and other similar projects. The capital improvement projects are necessary to: (i) provide additional capacity to serve additional customers; (ii) meet the requirements of the regulatory actions imposed by the FDEP and the EPA; (iii) provide back up reserve capacity in the water and wastewater transmission systems; (iv) comply with level service requirements contained in the Comprehensive Development Master Plan; and (v) improve operating efficiencies of the Utility.

The Department's MYCIP provides that the Department intends to finance such plan with additional bond issues as needed to minimize the impact on rates in any individual year.

The Department's projects in the MYCIP for Fiscal Years 2008 through 2014 have been found to be consistent with the improvements identified in the Water and Wastewater Facilities Master Plans, the Consent Decrees and the Interim Peak Flow Management Plan.

Miami-Dade Water and Sewer Department
2008 - 2014 MULTI-YEAR CAPITAL IMPROVEMENT PLAN
($ in Thousands)

	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	Future*	Total
Wastewater									
Existing Bond Proceeds	$ 30,577	$ 7,447	$ 1,891	$ 0	$ 0	$ 0	$ 0	$ 0	$ 39,915
Assumed Additional Bonds	0	0	156,067	339,273	338,265	301,680	142,374	1,170,014	2,447,673
Plant Expansion	12,543	37,601	99,194	45,208	13,419	13,438	385	0	221,788
Renewal and Replacement Fund	36,033	57,775	43,241	31,956	37,556	40,970	45,732	50,000	343,263
Special Construction Fund	150	450	709	709	709	709	1,125	1,125	5,686
Bond Construction Contributions	0	0	0	1,500	1,500	0	0	0	3,000
General Obligation Bond	2,267	1,701	6,367	4,596	1,490	3,363	70,853	0	90,637
HLD – Special Construction Fund	15,463	39,339	20,899	4,230	0	0	0	0	79,931
Wastewater Construction Fund	906	0	0	0	0	0	0	0	906
Wastewater Total	**$ 97,939**	**144,313**	**328,368**	**427,472**	**392,939**	**360,160**	**260,469**	**1,221,139**	**3,232,799**
Water									
Existing Bond Proceeds	$ 19,917	$ 22,623	$ 4,785	$ 498	$ 333	$ 0	$ 0	$ 0	$ 48,156
Assumed Additional Bonds	0	0	28,074	145,620	115,353	86,286	89,855	76,470	541,658
Plant Expansion	2,465	17,184	41,277	20,096	2,600	1,476	0	0	85,098
Renewal and Replacement Fund	23,501	42,225	28,786	40,657	45,374	41,000	45,000	32,552	299,095
Fire Hydrant	7,455	4,659	4,119	2,757	2,757	2,757	2,757	2,755	30,016
Special Construction Fund	316	350	964	407	407	407	407	407	3,665
Bond Construction Contributions	275	0	880	0	0	0	0	0	1,155
General Obligation Bond	20,851	6,678	11,531	6,536	3,298	3,701	55,632	0	108,227
Water Construction Fund	812	5,048	20,294	5,935	0	0	0	0	32,089
Rock Mining Mitigation Fees	3,000	2,000	5,000	9,000	9,000	0	0	0	28,000
Water Total	**$ 78,593**	**$ 100,767**	**$ 145,710**	**$ 231,506**	**$ 179,122**	**$ 135,627**	**$ 193,651**	**$ 112,184**	**$ 1,177,160**
Total MYCIP 2007-2016									
Total Expenditures:	**$ 176,532**	**$ 245,080**	**$ 474,078**	**$ 658,978**	**$ 572,061**	**$ 495,787**	**$ 454,120**	**$ 1,333,323**	**$ 4,409,959**

* Future is defined as Fiscal Years 2015 through 2017.
Source: The Department

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REGULATORY MATTERS

Water System

Ground Water Under Direct Influence of Surface Water.

On January 5, 2006, the EPA published the Final Long Term Enhanced Surface Water Rule (the "Surface Water Rule"), which does not apply to the Department because the Department does not use surface water and the groundwater used by the Department has not been determined to be under the direct influence of surface water. However, the Northwest Wellfield is located in an area designated by the Florida Legislature as the Miami-Dade County Lake Belt Area. In order to maximize the efficient recovery of limestone in such area, the Florida Legislature has approved a plan that will allow rock mining in the vicinity of the Northwest Wellfield. As excavations get closer to the Northwest Wellfield, there is an increased risk of the wells coming under the influence of surface water, which would result in the Surface Water Rule applying to such wells.

In January 2006, the Florida Legislature recognized the risk to the Northwest Wellfield and imposed a "water treatment plant upgrade fee" equal to $0.15 per ton of limerock and sand sold within the Miami-Dade County Lake Belt Area. The fee became effective January 1, 2007 and will remain in effect until the total proceeds collected reach the actual amount necessary to design and construct the necessary water treatment plant upgrades. Such amount is to be determined in an open, public solicitation. The water treatment plant upgrade will consist of upgrading the filtration and disinfection processes to meet the requirements of the Surface Water Rule. The Department is in the process of hiring a consultant to design the necessary upgrades to the water treatment plant.

Stage 1 and Stage 2 DBP Rules.

The Disinfectants and Disinfection Byproducts Rule (the "DBPR") regulates disinfection byproducts ("DBPs"), which are formed when chlorine reacts with naturally occurring organic constituents in drinking water. The Stage 1 DBPR was promulgated by the EPA in December 1998, and became effective in January 2004.

The Department determined that the John E. Preston Water Treatment Plant is the only plant requiring modifications in order to consistently produce a system-wide water supply that complies with the Stage 1 DBPR. The Department identified the required process upgrades (high pH ferric enhanced softening) and has completed construction of the upgrades.

Construction of the plant modifications to comply with the Stage 1 DBPR began in December 2000 with an original target completion date of December 1, 2002. The Department utilized the available remedies allowed by the contract to ensure that the contractor expedited completion of the work; however, construction was delayed past the expedited completion date.

Recognizing that delays in construction would extend completion of the work beyond the effective date of the Stage 1 DBPR, the Department developed alternate measures to achieve regulatory compliance. The Department successfully implemented an alternate pretreatment approach at the John E. Preston Water Treatment Plant prior to January 2004, the effective date of the Stage 1 DPBR.

On January 4, 2006, the EPA published the final Stage 2 DBPR to provide increased protection from the potential health risks associated with DBPs. The Stage 2 compliance schedule is based on population served. The Stage 2 DBPR builds on the Stage 1 DBPR and includes the following additional requirements:

- Initial distribution system evaluations ("IDSE") to identify compliance monitoring locations with the high disinfection DBPs. The purpose of the IDSE is to determine locations of high total trihalomethanes and haloacetic acids. The results are used on conjunction with the Stage 1 DBPR compliance monitoring to identify and select Stage 2 DBPR compliance monitoring locations.

- Compliance is based on Locational Running Annual Averages, which averages the sample analytical results for water samples taken at a particular monitoring location during the previous calendar quarters.

- Requirements are specified for consecutive systems, which will apply to the Department's wholesale customers.

The Department has submitted a Standard Monitoring Plan ("SMP") for the main system, in accordance with the IDSE requirements. The EPA approved the SMP for the main system on March 14, 2007. The SMP for the South Dade System was submitted August 27, 2007 and the Department is awaiting approval from the EPA.

Aquifer Storage and Recovery Permit Violation.

On March 15, 2002, the FDEP issued a Notice of Non-compliance to the Department alleging that at the time of an underground injection control inspection, the ASR system at the Southwest Wellfield was in recharge mode of operation without FDEP approval. In accordance with the construction permit, the Department was required to obtain a written authorization prior to operating the wells. The Department was operating the ASR wells to troubleshoot the injection equipment. Following the inspection, the Department provided data to FDEP demonstrating that the water that was injected into the ASR system met primary drinking water standards as required by the permit operational testing conditions. On June 20, 2006, the Board approved a Consent Order with FDEP imposing civil penalties in the amount of $247,100 and $35,000 for costs and expenses incurred by FDEP. The Board also approved the option of implementing an in-kind project in the amount of $370,650 in lieu of making a full cash payment for the civil penalties. On May 7, 2007, FDEP gave conditional approval for the in-kind project proposed by the Department, pending submittal of a more detailed account the project budget projections. The Department submitted the additional information and FEDP issued a letter on August 10, 2007 approving the in-kind project. The Department is in compliance with the conditions of the Consent Order.

Sewer System

South District Wastewater Treatment Plant Consent Orders.

In July 1994, the Department detected the presence of ammonia and total Kjeldahl nitrogen ("TKN") in monitoring wells at the South District Plant. The presence of those chemicals could indicate movement of effluent from the injection zone due to lack of geologic confinement, or it could be the result of injection well or monitoring well failure or other factors. Ammonia and TKN can be attributed to sewage effluent or other causes. Nevertheless, the presence of the chemicals detected by the Department does not create a health or environmental risk.

Subsequent to the Department's detection of ammonia and TKN in monitoring wells at the plant, the EPA and the FDEP threatened to commence enforcement action by alleging that the County was in violation of federal and state law and regulations regarding underground treated sewage injection wells. The EPA also threatened enforcement action because of discharges by the Department to on-site

emergency disposal ponds, although the EPA and the FDEP previously approved emergency use of the ponds and the EPA funded their construction. Consequently, it was determined to be in the best interests of the Department, the EPA and the FDEP to attempt to negotiate consent orders and to avoid litigation. On October 21, 1997, the Board approved the Administrative Order on Consent (the "AOC"), the FDEP draft Consent Order (the "CO") and the thirteen (13) draft operation permits associated with the CO.

The AOC became effective on December 26, 1997. The AOC provided that the EPA will withhold enforcement action provided that the County conducts various studies and tests to attempt to identify what, if any, problems exist in regard to integrity of the injection and monitoring wells and geologic confinement of the injection zone. Discharges to the on-site emergency disposal ponds are restricted. The Department is in compliance with the AOC.

On April 16, 2002, the EPA notified the County that it was terminating the AOC effective August 1, 2002 based on the EPA's unilateral determination that the purpose of the decree was fulfilled. The EPA further directed the County to negotiate a new Consent Order with FDEP to address the continued use of the injection wells.

Following extensive negotiations and mediation, on March 5, 2003, the Department and the FDEP reached an agreement on a new Consent Order, which was approved by the Board on July 22, 2003. The Order became effective on April 29, 2004 and allows an increase in the treatment plant capacity from 97 million gallons per day ("mgd") to 112.5 mgd and the use of the four existing wells.

The Order requires the County to treat sewage effluent to meet the FDEP High Level Disinfection ("HLD") criteria prior to injection. The FDEP-approved HLD treatment process consists of filtration and chlorination. On the effective date of the Order, the County commenced the process of procuring, permitting, designing, funding and constructing a HLD treatment upgrade for 112.5 mgd with a peaking factor of 2. The upgrade is to be completed in approximately five years. However, concurrent with this process, the County conducted two pilot projects to test the High Rate Disinfection ("HRD") and Ultraviolet Disinfection ("UV") processes, which are more cost effective, to demonstrate the equivalency of these processes to HLD. If the tests had revealed that either HRD or UV was equivalent to HLD, the County would have been allowed to implement that process and stop the design of the HLD system. However, following receipt of the results of the two pilot tests, FDEP concluded that HRD and UV were not equivalent to HLD. Therefore, the Department has proceeded with designing the HLD projects with an annual average daily flow capacity of 112.5 mgd and a peak flow capacity of 285 mgd. The current estimated costs for these projects is $600 million.

The Order requires that for the future scheduled 18.75 mgd capacity expansion of the facility, reuse be implemented as the effluent disposal method. In addition, the Order requires that the County be the local sponsor for the South Miami-Dade Wastewater Reuse Project as described in the July 1999 Comprehensive Everglades Restoration Plan ("CERP"). Under this CERP project, 131 mgd of wastewater is currently slated for reuse. These requirements will cover all reuse commitments from this facility. *See* "Everglades Remedial Program" herein.

In addition to the Consent Order requirements, on December 6, 2005, the EPA promulgated revisions to the Federal Underground Injection Control ("UIC") Requirements for Class I Municipal Disposal Wells in Florida. The UIC rule provides a regulatory alternative for the operators of Class I municipal disposal wells in specific areas of Florida that have caused or may cause movement of fluid into underground sources of drinking water. The new UIC rule will allow the South District Wastewater Treatment Plant to continue operation of the wells provided that the facility meets HLD treatment requirements by December 22, 2010.

The Department will not be able to meet the construction completion deadlines required by the Consent Order and the UIC rule. The Department has raised concerns regarding the complexity of the construction activities and the Department's inability to meet the required construction deadline with both the EPA and FDEP. The Department continues to work with these agencies to address compliance.

South District Wastewater Treatment Plant Administrative Order.

On March 8, 2007, FDEP issued an operating permit for the South District Wastewater Treatment Plant along with an Administrative Order to establish a compliance schedule for submittal of an updated Reuse Feasibility Study; design and construction of the HLD facilities and septage/grease receiving facilities; conduct studies for odor control; and develop a protocol to obtain proportionate composite sampling for the injection wells. The Department is in compliance with the Administrative Order.

Sewer System Settlement Agreements and Consent Decrees.

Systemwide Settlement Agreement. In 1993, the County and the FDEP entered into a settlement agreement (the "Systemwide Settlement Agreement"), which requires the County to: (1) make improvements to the Central District Plant to reduce odors; (2) make improvements to its wastewater treatment plants so as to increase capacity according to a schedule set forth in the Systemwide Settlement Agreement; (3) improve its collection and transmission system according to a schedule set forth in the Systemwide Settlement Agreement; (4) conduct studies regarding inflow/infiltration/exfiltration rehabilitation and pump station capacity according to a schedule set forth in the Systemwide Settlement Agreement; (5) implement procedures for taking corrective action with respect to spills, and (6) make certain short-term capacity improvements. Pursuant to the Systemwide Settlement Agreement, the County agree to a schedule of stipulated penalties of $10,000 per day per violation for failure to comply with certain specific requirements of the Systemwide Settlement Agreement. The Systemwide Settlement Agreement assesses separate penalties if effluent discharge from the Department's wastewater treatment plants fails to meet certain criteria established by state law. At the present time, the Department remains in compliance with the Systemwide Settlement Agreement.

First Partial Consent Decree. In 1993, the County executed a First Partial Consent Decree (the "First Partial Consent Decree") with the U.S. to resolve an EPA action, which included allegations involving the use of a 72-inch force main (the "Original Cross-Bay Line") that traverses Biscayne Bay from downtown Miami to the Central District Plant on Virginia Key the Original Cross-Bay Line and the unpermitted discharge of untreated wastewater from the Department's Sewer System. The First Partial Consent Decree was approved by the District Court on January 13, 1994. Under the terms of the First Partial Consent Decree, the County was required to (i) construct a new force main (the "New Cross-Bay Line") to replace the Original Cross-Bay Line, (ii) cease the flow of untreated wastewater through the Original Cross-Bay Line no later than thirty (30) days after completion of the New Cross-Bay Line and (iii) construct a new force main from the 9th Street Pump Station to the 4th Street Pump Station. The County completed construction of the two new force mains and stopped using the Original Cross-Bay Line to carry untreated wastewater, all within the deadlines established under the First Partial Consent Decree.

The First Partial Consent Decree, which remains in effect, also requires that prior to any new sewer service connection, the County must certify that adequate transmission and treatment capacity exists at the time the treatment plant receives the new flow. Where capacity does not exist, the County will be required to either provide adequate capacity or restrict connections. At the present time, the County remains in compliance with the First Partial Consent Decree.

Second and Final Partial Consent Decree. In 1995, the County executed a Second and Final Partial Consent Decree (the "Second and Final Consent Decree") with respect to the Sewer System. Under the terms of the Second and Final Partial Consent Decree, the County is required to: (1) implement an infiltration and inflow inspection and rehabilitation program to reduce infiltration/inflow within the County's Sewer System; (2) minimize unauthorized storm water sewer connections; (3) implement a program to inspect and rehabilitate the County's sewage pump stations; (4) institute a remote monitoring system for the County's pump stations; (5) implement interim and long-term sewage collection system operating plans; (6) modify the County's maintenance program; (7) create an inventory of critical spare parts; (8) install and maintain a computerized collection and transmission system model; (9) develop and implement a treatment plant optimization program; (10) undertake a pump station upgrade and collection system improvement program (Peak Flow Management Plan); and (11) notify the EPA within twenty-four hours of any unauthorized discharge of wastewater into any surface water body. Pursuant to the Second and Final Partial Consent Decree, the Board enacted an ordinance requiring the County's wholesale sewer customers to implement collection and transmission remedial programs similar to those agreed to by the County in the Second and Final Partial Consent Decree. The scope of all improvements required to meet the terms of the Consent Decree is still being developed.

The Second and Final Partial Consent Decree stipulates civil penalties which will be imposed for each day that the County fails to meet the milestone dates set forth therein. The penalties range from $500 per day per violation to $15,000 per day per violation. The County is also required to undertake supplemental environmental projects in the amount of at least $5,000,000 for water conservation and wastewater reuse. A civil penalty must also be paid by the County to the U.S. in the total amount of $2,000,000 for violations as alleged by the U.S. in the complaint filed in this matter.

At the present time, the County has complied with certain terms of the Second and Final Partial Consent Decree and it is anticipated that the County will satisfy all of the Second and Final Consent Decree. The Department is in the process of completing a comprehensive lateral investigation program ("CLIP") to evaluate reducing infiltration and inflow in service laterals. The CLIP was submitted to the EPA in February 2007. The results obtained were used to develop the final Peak Flow Management Plan, which was completed in accordance with the Second and Final Partial Consent Decree. The Department will be submitting the Peak Flow Management Study Results and Remedial Action Plans on May 8, 2008 as required by the Second and Final Partial Consent.

Sewer System Overflow Violations.

In 2001, the State of Florida enacted the Environmental Litigation Reform Act ("ELRA"), which allowed FDEP to address environmental cases with penalties of less than $10,000 through administrative proceedings. ELRA also established a mechanism for mediation at no cost to respondents. In July 2003, FDEP began implementation of ELRA in 2003. In July 2003, FDEP issued the first proposed settlement to the Department addressing sewage overflows that occurred in December 2002 for which FDEP had issued warning letters. On July 19, 2006, the Department entered into a settlement with FDEP for a total of twenty-one (21) overflow events occurring between December 2002 and January 2004, assessing civil penalties in the amount of $150,300, plus $15,030 to reimburse FDEP costs, for a total of $165,330 in penalties. On February 9, 2007, the Department entered into two additional settlements with FDEP for a total of seven (7) overflow events occurring between May 2006 and October 2006, assessing civil penalties in the amount of $17,000, plus $1,000 to reimburse FDEP costs, for a total of $18,000 in penalties.

The Department has entered into the following executed settlements with FDEP: (i) Consent Order File Number OGC 07-1185, dated August 15, 2007, with respect to five (5) overflow events occurring between November 1, 2006 and April 10, 2007, assessing civil penalties in the amount of

$9,500, plus $500 to reimburse FDEP administrative costs, for a total of $10,000; (ii) Consent Order File Number OGC 07-1186, dated October 24, 2007, with respect to an overflow event occurring on April 3, 2007, assessing civil penalties in the amount of $7,000, plus $500 to reimburse FDEP administrative costs, for a total of $7,500 in penalties; and (iii) Consent Order File Number OGC 08-0047, dated March 11, 2008, with respect to six (6) unauthorized discharges of sewage residuals occurring between May 10, 2007 and November 9, 2007 at the Central District Wastewater Treatment Plant on Virginia Key, assessing civil penalties in the amount of $9,500, plus $500 to reimburse FDEP administrative costs, for a total of $10,000 in penalties.

LITIGATION

The County is a defendant from time to time in various lawsuits. No litigation questioning the corporate existence of the County or the right of its officials to their respective offices, or questioning or affecting the validity of the Series 2008C Bonds or the Bond Ordinance is pending. Furthermore, to the knowledge of the Office of the County Attorney, no litigation that would materially or adversely affect the ability of the County to consummate its obligations under the Bond Ordinance, including its payment obligations thereunder, is threatened.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2008C Bonds upon an Event of Default under the Bond Ordinance are in many respects dependent upon regulatory and judicial actions that are often subject to discretion and delay. Under existing laws and judicial decisions, the remedies provided for under the Bond Ordinance may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2008C Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2008C Bonds is subject to various limitations including those imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally and by equitable remedies and proceedings generally.

TAX MATTERS

In the opinion of Squire, Sanders & Dempsey L.L.P. and KnoxSeaton, Bond Counsel, under existing law (i) interest on the Series 2008C Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Series 2008C Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2008C Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the County to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2008C Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the County's certifications and representations or the continuing compliance with the County's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Series 2008C Bonds from gross income for federal income tax purposes but is not a

guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service (the "IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the Internal Revenue Service.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the County may cause loss of such status and result in the interest on the Series 2008C Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2008C Bonds. The County has covenanted to take the actions required of it for the interest on the Series 2008C Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Series 2008C Bonds, Bond Counsel will not undertake to determine (or to inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2008C Bonds or the market prices of the Series 2008C Bonds.

A portion of the interest on the Series 2008C Bonds earned by certain corporations may be subject to a federal corporate alternative minimum tax. In addition, interest on the Series 2008C Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2008C Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Series 2008C Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Series 2008C Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed the outcome of which could modify the tax treatment of obligations such as the Series 2008C Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2008C Bonds, will not have an adverse effect on the tax status of interest on the Series 2008C Bonds or the market prices of the Series 2008C Bonds.

Prospective purchasers of the Series 2008C Bonds should consult their own tax advisers regarding pending or proposed federal and State tax legislation and court proceedings, and prospective purchasers of the Series 2008C Bonds at other than their original issuance at the yields indicated on the inside cover page of this Official Statement should also consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Bond Counsel's engagement with respect to the Series 2008C Bonds ends with the issuance of the Series 2008C Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the beneficial owners regarding the tax status of interest on the Series 2008C Bonds in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2008C Bonds, under current IRS procedures, the IRS will treat the County as the taxpayer and the beneficial owners of the Series 2008C Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including, but not limited to, selection of the Series 2008C Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market prices for the Series 2008C Bonds.

Original Issue Discount and Original Issue Premium

Certain of the Series 2008A Bonds (the "Discount Bonds") as indicated on the inside cover page of this Official Statement were offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2008C Bonds; and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond. A purchaser of a Discount Bond in the initial public offering at the yield for that Discount Bond stated on the inside cover page of this Official Statement who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Series 2008C Bonds (the "Premium Bonds") as indicated on the inside cover page of this Official Statement were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the yield for that Premium Bond stated on the inside cover page of this Official Statement who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

Owners of Discount Bonds and Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable

in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Florida law requires the County to make a full and fair disclosure of any bonds or other debt obligations which it has issued or guaranteed and which are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served as a conduit issuer). Florida law further provides, however, that if the County in good faith believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The County is not and has not been in default as to principal and interest on bonds or other debt obligations which it has issued as the principal obligor or guarantor.

There are several special purpose governmental authorities of the County that serve as conduit issuers of private activity bonds for purposes such as housing, industrial development and health care. Defaults have occurred in connection with some of those private activity bonds; however, such defaults affect only the defaulted issues and have no effect on the payment of the Series 2008C Bonds. The County has no obligation to pay such bonds and the conduit issuers had only a limited obligation to pay such bonds from the payments made by the underlying obligors with respect to such issues. Therefore, the County in good faith believes that defaults relating to conduit issuers are not material with regard to the Series 2008C Bonds and any disclosure concerning any defaults of conduit financings is not necessary.

CONTINUING DISCLOSURE

The County has covenanted in the Series 2008C Resolution, in accordance with the provisions of, and to the degree necessary to comply with, the secondary disclosure requirements of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission ("SEC"), to provide or cause to be provided for the benefit of the Beneficial Owners of the Series 2008C Bonds to each nationally recognized municipal securities information repository ("NRMSIR"), and to the appropriate State Information Depository ("SID"), if any, designated by the State of Florida, the information set forth in the Series 2008C Resolution (the "Annual Information"), commencing with the Fiscal Year ending September 30, 2009.

The County has reserved the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that the County has agreed that any modification will be done in a manner consistent with the Rule.

RATINGS

[Moody's Investors Service, Inc. ("Moody's"), Standard & Poor's Rating Services ("S&P"), and Fitch Ratings ("Fitch") have assigned long term ratings of "Aaa," "AAA" and "AAA," respectively, to the Series 2008C Bonds, with the understanding that, upon delivery of the Series 2008C Bonds, the Bond Insurance Policy will be issued by the Bond Insurer.] The Series 2008C Bonds have been assigned underlying long-term ratings of "__," "__," and "__" by Moody's, S&P and Fitch, respectively, without regard to the Bond Insurance Policy to be issued by the Bond Insurer. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 99 Church Street, New York, New York 10007; Standard & Poor's Ratings Group, 25 Broadway, New York, New York 10004; and Fitch Ratings, One State Street Plaza, New York, New York 10004.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that any such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies concerned, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2008C Bonds.

INDEPENDENT ACCOUNTANTS

The financial statements of the Department for the Fiscal Year ended September 30, 2007, attached as APPENDIX B were audited by Rachlin, LLP independent certified public accountants.

FINANCIAL ADVISOR

Public Resources Advisory Group, St. Petersburg, Florida, is the Financial Advisor to the County with respect to the issuance and sale of the Series 2008C Bonds. The Financial Advisor has assisted the County in the preparation of this Official Statement and has advised the County as to other matters relating to the planning, structuring and issuance of the Series 2008C Bonds, including the plan of refunding. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

Public Resources Advisory Group is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

UNDERWRITING

RBC Capital Markets Corporation, as representative, and the other underwriters listed on the cover page (collectively, the "Underwriters"), have agreed pursuant to a bond purchase agreement between the County and the Underwriters with respect to the Series 2008C Bonds, subject to certain conditions, to purchase the Series 2008C Bonds from the County at a purchase price equal to the par amount of the Series 2008C Bonds less an Underwriters' discount of $_____ (____% of par amount) [plus/less net original issue premium/discount of $_____]. The initial public offering yields set forth on the inside cover of this Official Statement may be changed by the Underwriters and the Series 2008C Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2008C Bonds into investment trusts) and others at yields higher than such public offering yields. The Underwriters reserve the right to over allot or effect transactions that stabilize or maintain the market prices of the Series 2008C Bonds at levels above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time.

LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Series 2008C Bonds, including their legality and enforceability and the exclusion of interest on the Series 2008C Bonds from gross income for federal income tax purposes, are subject to the approval of Squire, Sanders & Dempsey, L.L.P., Miami, Florida, and KnoxSeaton, Miami, Florida, Bond Counsel, copies of whose legal opinions will be delivered with the Series 2008C Bonds. Certain other legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain legal matters relating to disclosure will be passed upon for the County by Hunton & Williams LLP, Miami, Florida, and Law Offices Thomas H. Williams, Jr., P.L., Miami, Florida, Disclosure Counsel. GrayRobinson, P.A., Tampa, Florida, is acting as counsel to the Underwriters solely for the purposes of preparing the bond purchase

agreement and any agreements among the Underwriters and rendering an opinion that the Series 2008C Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Series 2008C Resolution is not required to be qualified under the Trust Indenture Act of 1939, as amended; and they have not been asked to and are not passing on the accuracy or completeness of this Official Statement.

The proposed text of the legal opinions of Bond Counsel is set forth as APPENDIX D to this Official Statement. The proposed text of the legal opinion to be delivered to the Underwriters by Disclosure Counsel is set forth as APPENDIX E to this Official Statement. The actual legal opinions to be delivered may vary from the text of APPENDIX D or APPENDIX E, as the case may be, if necessary, to reflect facts and law on the date of delivery of the Series 2008C Bonds.

The legal opinions of Bond Counsel, Disclosure Counsel and the Office of the Miami-Dade County Attorney are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made to Bond Counsel, Disclosure Counsel and the Office of the Miami-Dade County Attorney as of the date thereof. Bond Counsel, Disclosure Counsel and the Office of the Miami-Dade County Attorney assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law, that may thereafter occur or become effective.

The legal opinions to be delivered concurrently with the delivery of the Series 2008C Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

CERTIFICATE CONCERNING THE OFFICIAL STATEMENT

Concurrently with the delivery of the Series 2008C Bonds, the County will furnish its certificate, executed by the County's Finance Director and the Department's Director to the effect that, to the best of their knowledge, this Official Statement, as of its date and as of the date of delivery of the Series 2008C Bonds, does not contain any untrue statement of material fact and does not omit any material fact that should be included herein for the purpose for which the Official Statement is to be used, or which is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

MISCELLANEOUS

This Official Statement is dated as of the date set forth on the cover page and the information contained in this Official Statement is subject to change. This Official Statement, together with other documents described in this Official Statement, will be available upon request prior to the issuance and sale of the Series 2008C Bonds through the Office of the Finance Director, 111 N.W. First Street, Suite 2550, Miami, Florida 33128 at (305) 375-5147. Following the issuance and sale of the Series 2008C Bonds, this Official Statement and the other documents described in this Official Statement may be obtained upon request following payment of reproduction costs and postage through the Office of the Finance Director.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2008C Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described in this Official Statement, are intended solely as

such and are not to be construed as representations of facts. The references, excerpts and summaries of all documents referred to in this Official Statement do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters relating to the Series 2008C Bonds, the security for the payment of the Series 2008C Bonds and the rights and obligations of the Holders of the Series 2008C Bonds.

The information set forth in this Official Statement has been obtained from the County and other sources, which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness by the County, and is not to be construed as a representation of the County or the Underwriters. The information and expressions of opinion in this Official Statement are subject to change without notice and neither the delivery of this Official Statement nor any sale made shall under any circumstances create any implication that there has been no change in the matters referred to in this Official Statement since its date.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, is set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The delivery and the distribution of this Official Statement to the Underwriters by the Finance Director is conclusive proof of the approval of this Official Statement by the Board.

APPENDIX A

GENERAL INFORMATION RELATIVE TO MIAMI-DADE COUNTY, FLORIDA

GENERAL INFORMATION RELATIVE TO MIAMI-DADE COUNTY, FLORIDA

Set forth below is certain general information concerning the County government and certain governmental services provided by the County.

History

The County is the largest county in the southeastern United States in terms of population. The County currently covers 2,209 square miles, located in the southeastern corner of the State, and includes, among other municipalities, the cities of Miami, Miami Beach, Coral Gables and Hialeah. In 2007, the population of the County was estimated to have been 2,468,000.

The County was created on January 18, 1836 under the Territorial Act of the United States. It included the land area now forming Palm Beach County and Broward County, together with the land area of the present County. In 1909, Palm Beach County was established from the northern portion of what was then Dade County. In 1915, Palm Beach County and the County contributed nearly equal portions of land to create what is now Broward County. There have been no significant boundary changes to the County since 1915.

County Government and Services

The State Legislature in 1955 approved and submitted to a general election a constitutional amendment designed to give a new form of government to the County. The amendment was approved in a statewide general election in November 1956. A Dade County Charter Board was constituted and, in April 1957, completed a draft of a charter for the County. The proposed charter (the "Charter") was adopted in a countywide election in May 1957 and became effective on July 20, 1957. The electors of the County were granted power to revise and amend the Charter from time to time by countywide vote. The most recent amendments were in January 2007 and January 2008. The County has home rule powers, subject only to the limitations of the Constitution and general laws of the State. The County, in effect, is both (1) a county government with certain powers effective throughout the entire County, including 35 municipalities, and (2) a municipal government for the unincorporated area of the County. The County has not displaced or replaced the cities, but supplements them. The County can take over particular activities of a city's operations if the services fall below minimum standards set by the Board, or with the consent of the governing body of a particular city.

On January 23, 2007, the electors of the County approved an amendment to the Home Rule Amendment and Charter which established a "strong mayor" form of government. This amendment expands the Mayor's power over administrative matters. The County Manager, who previously was chief administrator, now reports directly to the Mayor, who has the authority to hire, fire and set the salary of the County Manager. Under this new system, the Mayor also appoints all department heads.

On January 29, 2008, the electors of the County amended the County's Charter to provide that (i) the two week qualifying period for candidates shall commence three weeks earlier in order to be in line with the State; and (ii) the Property Appraiser shall be elected rather than appointed.

The County has assumed responsibility on a countywide basis for an increasing number of functions and services, including the following:

(a) County-wide police services, complementing the municipal police services within the cities and providing full-service police protection for the unincorporated areas of the County, with direct access to the National Crime Information Center in Washington, D.C. and the Florida Crime Information Center.

(b) Uniform system of fire protection, complementing the municipal fire protection services within five municipalities and providing full-service fire protection for the Miami-Dade Fire and Rescue Service District, which includes the unincorporated area of the County and the 29 municipalities which have consolidated their fire departments within the Miami-Dade Fire and Rescue Department. The Miami-Dade Fire and Rescue Department also provides emergency medical services by responding to and providing on-site treatment to the seriously sick and injured.

(c) Certain expenses of the State's consolidated two-tier court system (pursuant to Section 29.008 of the Florida Statutes) are the responsibility of the County. The two-tier court system consists of the higher Circuit Court and the lower County Court. The Circuit Court handles domestic relations, felonies, probate, civil cases where the amount in dispute is $15,000 or more, juvenile cases, and appeals from the County Court. The County Court handles violations of municipal ordinances, misdemeanors and civil cases where the amount in dispute is less than $15,000.

(d) County-wide water and sewer system operated by the Water and Sewer Department.

(e) Jackson Memorial Hospital ("JMH") is operated, maintained and governed by an independent governing body called the Public Health Trust (the "Trust"). Based on the number of admissions to a single facility, JMH is one of the nation's busiest medical centers. The Board appoints members of the Board of Trustees for the Trust and also approves the budget of the Trust. The County continues to subsidize treatment of indigent patients on a contractual basis with the Trust.

(f) Unified transit system, consisting of various surface public transportation systems. In May, 1985, the 20.5 miles Phase I of the County's rapid rail transit system was completed and placed into operation. An extension was opened in May 2003 expanding the rail service along the north section from Okeechobee to the Palmetto station, making the system 22.4 miles long. In April 1986, the Metromover component of the rapid rail transit system commenced operation, with 1.9 miles of an elevated double loop system. Two extensions were subsequently constructed extending the service 1.4 miles south to the Brickell Avenue area and 1.1 miles north to the area known as Omni, for a total of 4.4 miles of service. These extensions were placed in service on May 1994.

(g) Combined public library system consisting of the Main Library, 41 branches and 4 mobile libraries offering educational, informational and recreational programs and materials. Four newly constructed libraries will open in 2008. On an annual basis, approximately 6 million people visit the libraries and check out more than 7.5 million items such as books, videotapes, DVDs, books on tape, CDs and other library materials, while reference librarians answer over 6.4 million questions. The library system is the largest free internet provider in South Florida, registering more than 2 million internet sessions. Its web page offers an extensive digital library of more than 1,500 downloadable e-books, videos and music that are available 24/7.

(h) Property appraisal services are performed by the County's Property Appraiser's office. Tax collection services are performed by the Miami-Dade Tax Collector. All collected taxes are distributed directly to each governmental entity, according to its respective tax levy. The municipalities, the Board of Public Instruction and several State agencies use data furnished to them by the Miami-Dade Tax Collector for the purpose of budget preparation and for their governmental operations.

(i) Minimum standards, enforceable throughout the County, in areas such as environmental resources management, building and zoning, consumer protection, health, housing and welfare.

(j) Garbage and trash collection, and disposal services, consisting of garbage and trash collection services to an average of approximately 319,000 households during Fiscal Year 2007 within the unincorporated area and certain municipalities within the County and disposal services to public and private haulers countywide.

(k) The Dante B. Fascell Port of Miami (the "Port"), owned and operated by the County through the Seaport Department. The Port is the world's largest multi-day cruise port in terms of cruise passengers, handling over approximately 3,787,410 passengers in Fiscal Year 2007. As of September 2007, the Port had the largest container cargo port in the State and is within the top ten in the United States in total number of containers held.

(l) The following airport facilities: (i) the Miami International Airport (the "Airport"), the principal commercial airport serving South Florida; (ii) the Opa-locka Executive Airport, a 1,810-acre facility, (iii) the Opa-locka West Airport, a 420-acre facility, (iv) the Kendall-Tamiami Executive Airport, a 1,360-acre facility, (iv) the Homestead Airport, a 960-acre facility and (vi) the Dade-Collier Training and Transition Airport, a facility of approximately 24,300 acres located in Collier and Miami-Dade Counties. All County-owned and operated by the Miami-Dade Aviation Department.

(m) Several miscellaneous services, including mosquito and animal control.

Other Post Employment Benefits

In June 2004, the Governmental Accounting Standards Board ("GASB") issued Statement No. 45 ("GASB 45"), which addresses how state and local governments should account for and report their costs and obligations related to post-employment health care and other non-pension benefits referred to as other post-employment benefits ("OPEB"). GASB 45 generally requires that state and local government employers account for and report the annual cost of OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner they currently do for pensions. Annual OPEB cost for most state and local government employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they become due. The provisions of GASB 45 established disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time.

The County provides medical and dental plans to its employees. The County has approximately 27,000 active employees, 1,300 pre-65 retirees and 1,400 post-65 retirees. The County provides retirees with the opportunity to participate in group employee health plans. Employees that retire and receive benefits under the Florida Retirement System are eligible to continue to participate in the health and dental plans. Retirees that elect to participate in the plans pay 100% (employer and employee portion) of the composite annual medical premium determined for the group consisting of active employees and pre-65 retirees. The County also provides paid health benefits to elected officials, employees offered an early retirement program, retirees injured in the line of duty that meet certain requirements defined in bargaining agreements, and a very small group of executive level employees.

While GASB 45 requirements will be effective for the County's Fiscal Year ending September 30, 2008, the County has received a preliminary estimate of the (i) accrued actuarial OPEB liability as of October 1, 2007 to be $159 million and (ii) annual OPEB expense for Fiscal Year 2008 to be $16.3 million, which assumes a 25-year amortization schedule and equal annual payments. Currently, the

County's policy is to fund the benefits as claims are reported on a pay-as-you-go basis and the estimates assume the County will continue that policy. However, if the County were to adopt a funding policy where amounts are contributed in excess of the pay-as-you-go costs, then the estimated (i) accrued actuarial OPEB liability could decrease to $114 million and (ii) Fiscal Year 2008 annual OPEB expense could decrease to $13.4 million, assuming a 25-year amortization schedule and equal annual payments.

The above estimates depend on several variables, including funding levels, cost method, actuarial assumptions and amortization approach. Since the County is still finalizing the variables, these estimates could change.

Economy

The County's economy has transitioned from mixed service and industrial in the 1970s to a service economy. The shift to services is led by expansion of international trade, the tourism industry, and health services. Wholesale and retail trades have become stronger economic forces in the local economy, and are projected to continue. This reflects the County's position as a wholesale center in Southeast Florida, serving a large international market. The tourism industry remains one of the largest sectors in the local economy.

In an effort to further strengthen and diversify the County's economic base, the County commissioned a private consulting firm in 1984 to identify goals and objectives for various public and private entities. The Beacon Council was established as a public-private partnership to promote these goals and objectives.

International Commerce

The Greater Miami Area is the center for international commerce for the southeastern United States. Its proximity to the Caribbean, Mexico, Central America and South America makes it a natural center of trade to and from North America. More than 1,200 multinational corporations are established in South Florida. In addition, the international background of many of its residents is an important labor force characteristic for multinational companies which operate across language and cultural differences.

Trade with Latin America, Europe and Caribbean countries has generated substantial growth in the number of financial institutions conducting business in the County. The large Spanish-speaking labor force and the State's proximity to Latin America have also contributed to the growth of the banking industry in the County. According to the Federal Reserve Bank of Atlanta, as of September 30, 2007, there were 12 Edge Act Banks throughout the United States; five of those institutions were located in the County with over $10.8 billion on deposit. Edge Act Banks are federally chartered organizations offering a wide range of banking services, but limited to international transactions only. These banking institutions are: American Express Bank International, Bancafe International, Banco Santander International, Bank Boston International, and HSBC Private Bank International.

The County had the highest concentration of international bank agencies on the east coast south of New York City, with a total of 31 foreign chartered banks and over $14.9 billion on deposit as of September 30, 2007, according to the Florida Department of Financial Services, Office of Financial Regulations.

Corporate Expansion

The favorable geographic location of the County, a well-trained labor force and the favorable transportation infrastructure have allowed the economic base of the County to expand by attracting many national and international firms doing business in Latin America. Among these corporations are: Carnival Cruise Lines, Elizabeth Arden, Federal Express Corporation, Kraft Foods International, Parfums Christian Dior, Porsche Latin America, Telefonica, AIG, and Caterpillar.

Significant strides have been made in attracting non-manufacturing firms to the County. Some of the national firms with established international operations located in the County are: ASTAR Air Cargo, Burger King, Ryder Systems, Lennar, Oracle Corporation, The Gap, Starboard Cruise Services and the William Morris Agency.

Industrial Development

The role of the Miami-Dade County Industrial Development Authority (the "IDA") is the development and management of the tax-exempt industrial development revenue bond program, which serves as a financial incentive to support private sector business and industry expansion and location. Programs developed are consistent with the IDA's legal status and compatible with the economic development goals established by the Board and other economic development organizations operating in the County.

Between 1979 and the creation of the Beacon Council in 1986, the IDA provided expansion and location assistance to 195 private sector businesses, accounting for a capital investment of $695 million and the creation of over 11,286 new jobs.

The IDA's principal program, the Tax-Exempt Industrial Development Revenue Bond Program, generated 424 applications through December 2007. From 1986 to January 2008, bonds for 211 company projects have been issued for a total volume in excess of $1.4 billion. Approximately 9,357 new jobs have been generated by these projects. The IDA continues to manage approximately 54 outstanding Industrial Development Revenue Bond Issues, approximating $775 million in capital investment.

Other Developmental Activities

In October, 1979, the Miami-Dade County Health Facilities Authority (the "Health Authority") was formed to assist local not-for-profit health care corporations to acquire, construct, improve or refinance health care projects located in the County through the issuance of tax-exempt bonds or notes. Since its inception, the Health Authority has issued 24 series of revenue bonds for 17 projects and 17 refundings. As of September 2007, the total amount of revenue bonds issued by the Health Authority was over $1.9 billion.

In October 1969, the Board created the Miami-Dade County Educational Facilities Authority (the "EFA") to assist institutions of higher learning within the County to have an additional means to finance facilities and structures needed to maintain and expand learning opportunities and intellectual development. As of September 2007, the EFA has issued 39 series of revenue bonds for 27 projects and 24 refundings, totaling over $1.4 billion.

In December 1978, the Housing Finance Authority of Miami-Dade County (Florida) (the "HFA") was formed to issue bonds to provide the HFA with moneys to purchase mortgage loans secured by mortgages on single family residential property owned by low and moderate income persons residing in the County. As of September 2007, under the HFA's Multi-Family Mortgage Revenue Bond Program revenue bonds aggregating approximately $917 million have been issued for new construction or rehabilitation of 16,752 units.

The bonds issued by the foregoing authorities and the IDA are not debts or obligations of the County or the State or any political subdivision thereof, but are payable solely from the revenues provided by the respective private activity borrower as security therefor.

Film Industry

The County's film and entertainment industry experienced a strong surge in 2007, with location filming revenues up 20% over the previous year to more than $153 million. Television remains the

strongest production sector, with USA Networks' "Burn Notice" filming its 13 episode season entirely in South Florida, added to recurring production from "CSI: Miami," numerous reality series like "Hogan Knows Best" and "Miami Ink" and the very active Spanish language television business. Spanish language telenovelas and other formats contributed more than $50 million to the total industry economic impact in 2007. In addition, Spanish language commercial productions were heavily represented among the more than 180 commercials shot in the County last years, contributing another $23 million to the bottom line. In all, nearly 2,000 productions shot on location in Miami-Dade County in 2007.

Surface Transportation

The County owns and operates through its Transit Agency (a County department), a unified multi-modal public transportation system. Operating in a fully integrated configuration, the County's Transit Agency provides public transportation services through: (i) Metrorail - a 22.4-mile, 22-station elevated electric rail line connecting South Miami-Dade and the City of Hialeah with the Downtown and Civic Center areas, providing 17.5 million passenger trips annually; (ii) Metromover - a fully automated, driverless 4.4-mile elevated electric double-loop people-mover system interfaced with Metrorail and completing approximately 8.6 million passenger trips annually throughout 20 stations in the central business district and south to the Brickell international banking area and north to the Omni area; and (iii) Metrobus, including both directly operated and contracted conventional urban bus service, operating over 35.6 million miles per year, interconnecting with all Metrorail stations and key Metromover stations, and providing over 111 million passenger trips annually.

The County also provides para-transit service to qualified elderly and handicapped riders through its Special Transportation Service, which supplies over 1.6 million passenger trips per year in a demand-response environment.

Additionally, the County's Transit Agency is operating the Bus Rapid Transit ("BRT") on the South Miami-Dade Busway, a dedicated-use BRT corridor that runs parallel to US1/South Dixie Highway. Service commenced in 1997 and was extended from North Kendall Drive/SW 88th Street to SW 264th Street. A final segment is currently under construction. Upon completion, the South Miami-Dade Busway will traverse over twenty miles, connecting Florida City (SW 344th Street) with the Metrorail system, with connection to downtown Miami.

Airport

The County owns and operates the Airport, the principal commercial airport serving Southeast Florida. The Airport also has the third highest international passenger traffic in the U.S. It is currently handling approximately 33,278,000 passengers and 2,099,000 tons of air freight annually and is classified by the Federal Aviation Administration as a large hub airport, the highest classification given by that organization. The Airport is also one of the principal maintenance and overhaul bases, as well as a principal training center for the airline industry in the United States, Central and South America and the Caribbean.

A five year summary of the passengers served and cargo handled by the Airport is shown below:

Passengers and Cargo Handled by
Miami International Airport
2003-2007

Fiscal Year	Passengers (in thousands)	Cargo (in millions)	Total Landed Weight (million lbs.)
2003	29,532	1.77	31,610
2004	30,244	1.94	31,900
2005	30,912	1.96	31,148
2006	32,094	1.97	30,735
2007	33,278	2.09	31,420

SOURCE: Miami-Dade County Aviation Department

Seaport

The Port is an island port, which covers 640 acres of land, operated by the Seaport Department. It is the world's largest multi-day cruise port. Embarkations and debarkations on cruise ships totaled just over 3.7 million passengers for the Fiscal Year 2007. With the increase in activity from the Far-East markets and South and Central America, cargo tonnage transiting the Port amounted to approximately 7.8 million tons for the Fiscal Year 2007.

The following table sets forth a five-year summary of both cruise passengers served and cargo handled:

Passengers and Cargo Handled by Port
2003-2007

Fiscal Year	Cruise Passengers (in thousands)	Cargo Tonnage (in millions)
2003	3,961	9.00
2004	3,500	9.23
2005	3,605	9.47
2006	3,731	8.65
2007	3,787	7.83

SOURCE: Miami-Dade County Seaport Department

Tourism

The Greater Miami Area is a leading center for tourism in the State. Miami was a primary destination for more domestic air travelers after Orlando according to the Florida Division of Tourism of the Department of Commerce. It is also the principal port of entry in the State for international air travelers. During 2006, approximately 85% of international air travelers (excluding travelers from Canada) entering the State arrived through the Airport. The Airport has the third highest international passenger traffic behind New York's John F. Kennedy International Airport and the Los Angeles International Airport.

The visitors market in the County is shifting away from the traditional tourist market to a "convention group market." This is reflected in the expansion and renovation of lodging facilities as well as in the marketing efforts of South Florida hoteliers. The City of Miami Beach, with the assistance of the County, is expanding and remodeling the Miami Beach Convention Center, the largest existing

convention center in the County, from 250,000 to 500,000 square feet of exhibition space. The convention group market is generally less sensitive to fluctuations in disposable personal income.

The following is a five-year schedule of domestic and international visitors, including a further breakdown of international visitors by region of origin, and the estimated economic impact produced by those visitors:

Tourism Statistics
2003-2007

	Visitors (in thousands)			Estimated Economic Impact (in millions)		
	Domestic	**Int'l**	**Total**	**Domestic**	**Int'l**	**Total**
2003	5,536	4,909	10,445	$ 5,633	$ 4,207	$ 9,840
2004	5,700	5,262	10,962	6,423	6,034	12,457
2005	6,053	5,249	11,302	7,252	6,683	13,935
2006	6,263	5,322	11,585	7,688	9,108	16,796
2007	6,473	5,493	11,966	7,027	10,166	17,193

International Visitors by Region
2003-2007
(in thousands)

	European	**Caribbean**	**Latin American**	**Canada Japan/Other**	**Total**
2003	1,119	653	2,455	682	4,909
2004	1,253	679	2,641	689	5,262
2005	1,181	709	2,661	698	5,249
2006	1,224	665	2,778	655	5,322
2007	1,294	683	2,835	680	5,492

SOURCE: Greater Miami Convention and Visitors Bureau

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Employment

The following table demonstrates the economic diversity of the County's employment base. No single industry clearly dominates the County's employment market, and there have not been any significant decreases within the industry classifications displayed for the latest years for which information is available.

Estimated Employment
In Non-Agricultural Establishments
2004-2006

	September 2005	Percent	September 2006	Percent	September 2007	Percent
Goods Producing Sector						
Construction	43,400	4.1	48,300	4.6	54,400	5.1
Manufacturing	49,600	4.7	46,900	5.1	46,900	4.4
Mining & Natural Resources	400	0.0	600	0.1	400	0.0
Total Goods Producing Sector	93,400	8.8	95,800	9.1	101,700	9.5
Service Providing Sector						
Transportation, Warehousing and Utilities	61,300	5.9	61,500	5.8	60,900	5.7
Wholesale Trade	75,100	7.2	74,200	7.0	76,400	7.2
Retail Trade	115,800	11.1	120,200	11.4	126,000	11.9
Information	28,400	2.7	23,500	2.2	21,600	2.0
Financial Activities	69,900	6.7	74,900	7.1	76,400	7.2
Professional and Business Services	163,400	15.6	170,900	16.2	154,800	14.6
Education and Health Services	137,700	13.2	138,000	13.0	145,200	13.7
Leisure and Hospitality	101,700	9.7	101,100	9.6	100,200	9.4
Other Services	45,400	4.3	42,900	4.1	42,300	4.0
Government	154,400	14.8	154,700	14.6	155,800	14.7
Total Service Providing Sector	953,100	91.2	961,900	90.9	959,600	90.4
Total Non-Agricultural Employment	1,046,500	100%	1,057,700	100%	1,061,300	100%

SOURCES: Florida Agency for Workplace Innovation, Labor Market Statistics, Current Employment Statistics Program (in cooperation with U.S. Department of Labor, Bureau of Labor Statistics).
Miami-Dade County, Department of Planning and Zoning, Research Section, 2007

County Demographics

Estimates of Population by Age
Miami-Dade County
2000 to 2030

Age Group	2000	2005	2010	2015	2020	2025	2030
Under 16	495,375	522,487	534,919	568,328	587,943	624,806	651,014
16-64	1,457,435	1,558,005	1,675,514	1,762,649	1,859,961	1,930,253	2,011,989
65 & Over	300,552	325,613	340,851	372,137	410,285	464,741	524,789
Total	2,253,362	2,402,105	2,551,284	2,703,114	2,858,189	3,019,800	3,187,792

SOURCES: U.S. Census Bureau, Decennial Census Report for 2000. Projections provided by Miami-Dade County, Department of Planning and Zoning, Research Section 2006.

Trends and Forecasts, Population in Incorporated and Unincorporated Areas
1960 – 2015

Year	Population in Incorporated Areas	Population in Unincorporated Areas	Total	Percentage Growth in Population
Trends:				
1960	582,713	352,334	935,047	N/A
1970	730,425	537,367	1,267,792	36.5%
1980	829,881	795,900	1,625,781	28.2
1990	909,371	1,027,723	1,937,094	19.1
1995	973,912	1,110,293	2,084,205	7.6
2000	1,049,074	1,204,288	2,253,362	8.1
2001	1,078,455	1,204,864	2,283,319	1.3
2002	1,080,909	1,222,138	2,303,047	1.3
2003	1,100,442	1,242,297	2,342,739	1.3
2004	1,265,077	1,107,341	2,372,418	1.3
2005	1,331,520	1,070,585	2,402,105	1.3
2006	1,347,228	1,084,591	2,431,819	1.2
Forecasts:				
2010	1,410,641	1,140,643	2,551,284	6.1
2015	1,494,626	1,208,488	2,703,114	6.0

SOURCES: U.S. Census Bureau, Decennial Census Reports for 1960-2000. Projections provided by Miami-Dade County, Department of Planning and Zoning, Research Section 2006

Population By Race and Ethnic Group[1]
Miami-Dade County
1970 - 2020
(in thousands)

Year	Total[2]	Hispanic[1]	Blacks[1]	Non-Hispanic Whites and Others
1970	1,268	299	190	782
1975	1,462	467	237	765
1980	1,626	581	284	773
1985	1,771	768	367	656
1990	1,967	968	409	618
1995	2,084	1,155	446	519
2000	2,253	1,292	457	534
2005	2,402	1,455	461	497
2010[3]	2,551	1,621	526	442
2015[3]	2,703	1,794	554	395
2020[3]	2,858	1,972	583	347
		(In Percentages)		
1970	100%	24%	15%	62%
1975	100	32	16	52
1980	100	36	17	48
1985	100	43	21	37
1990	100	49	21	31
1995	100	55	21	25
2000	100	57	20	24
2005	100	61	21	20
2010[3]	100	64	21	17
2015[3]	100	66	21	15
2020[3]	100	69	20	12

SOURCES: U.S. Census Bureau, Census of Population Reports for 1970-2000. Projections provided by Miami-Dade County, Department of Planning and Zoning, Research Section 2007.

(1) Persons of Hispanic origin may be of any race. Hispanic Blacks are counted as both Hispanic and as Black. Other Non-Hispanics are grouped with Non-Hispanic White category. Sum of components exceeds total.
(2) Numbers may not add due to rounding.
(3) Projections.

The following tables set forth the leading public and private County employers:

Fifteen Largest Public Employers

Employers' Name	Number of Employees
Miami-Dade County Public Schools	50,000
Miami-Dade County	32,000
U.S. Federal Government	19,800
Florida State Government	16,200
Jackson Health System	10,000
Miami-Dade Community College	6,004
City of Miami	4,297
Florida International University	3,100
VA Medical Center	2,300
City of Miami Beach	1,980
City of Hialeah	1,800
U.S. Coast Guard	1,220
U.S. Southern Command	1,200
City of Coral Gables	895
City of North Miami Beach	738

SOURCE: The Beacon Council/Miami-Dade County, Florida, *Miami Business Profile & Relocation Guide 2007*

Fifteen Largest Private Employers

Employers' Name	Number of Employees
Baptist Health Systems of South Florida	11,257
Publix Supermarkets	11,000
University of Miami	10,170
American Airlines	9,000
United Parcel Service	6,123
Precision Response Corporation	6,000
AT&T Inc	5,500
Winn Dixie Stores	4,833
Florida Power & Light Company	3,900
Carnival Cruise Lines	3,400
Macy's Department Store	3,368
Mount Sinai Medical Center	3,280
Mercy Hospital	2,412
Miami Children's Hospital.	2,400
Cordis	2,100

SOURCE: The Beacon Council/Miami-Dade County, Florida, *Miami Business Profile & Relocation Guide 2007*

The following table sets forth the unemployment rates within the County and comparative rates for the United States and the State:

Unemployment Rates
2002-2006

Area	2003	2004	2005	2006	2007
USA	6.0%	5.5%	5.5%	4.6%	4.6%
Florida	5.3	4.7	3.8	3.3	3.8
Miami-Dade County	5.9	5.4	4.5	3.8	3.6

*Annual Avg. through September, 2006

SOURCES: Florida Agency for Workplace Innovation, Office of Workforce Information Services, Labor Market Statistics and Miami-Dade County, Department of Planning and Zoning, Research Section 2007.

The following table sets forth the per capita personal income within the County and comparative per capita personal income for the Unites States, the Southeastern region and the State:

Per Capita Personal Income
2001 - 2005

Year	USA	Southeastern	Florida	Miami-Dade
2001	$30,562	$27,344	$29,266	$26,398
2002	30,795	27,731	29,702	27,050
2003	31,466	28,340	30,290	27,744
2004	33,090	29,912	32,534	29,955
2005	34,471	31,088	34,001	31,347

SOURCES: U.S. Department of Commerce, Economic and Statistic Administration Bureau of Economic. Analysis/Regional Economic Information System.
Miami-Dade County Department of Planning and Zoning, Research Section 2007.

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APPENDIX B

AUDITED FINANCIAL REPORT OF THE MIAMI-DADE WATER AND SEWER DEPARTMENT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007

APPENDIX C

THE BOND ORDINANCE

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

_____ __, 2008

Board of County Commissioners of
Miami-Dade County, Florida
Miami, Florida

Re: $_____ Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C

We have examined the transcript of proceedings (the "Transcript") relating to the issuance by Miami-Dade County, Florida (the "County") of its $_____ principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Series 2008C Bonds"). All terms used in capitalized form and not defined herein have the meanings ascribed to such terms in the hereinbelow described Bond Ordinance.

The Series 2008C Bonds are issued pursuant to Ordinance No. 93-134, enacted by the Board of County Commissioners of the County (the "Board") on November 16, 1993, Resolution No. R-___-08, adopted by the Board on _____, 2008, and Resolution No. R-___-08, adopted by the Board on _____, 2008 (collectively, the "Bond Ordinance"). The Series 2008C Bonds are being issued for the purpose of providing funds, together with other available funds, to (i) refund all of the Outstanding Dade County, Florida Water and Sewer System Revenue Bonds, Series 2005, and (ii) pay costs of issuance of the Series 2008C Bonds.

The documents in the Transcript examined include a certified copy of the Bond Ordinance. We have also examined a specimen of the Series 2008C Bonds.

Based on this examination, we are of the opinion that, under existing law:

1. The County is a validly existing political subdivision of the State of Florida under the Constitution and laws of the State of Florida, with the power to issue the Series 2008C Bonds.

2. The Series 2008C Bonds and the Bond Ordinance are valid and legally binding special, limited obligations of the County, enforceable in accordance with their respective terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion. The Series 2008C Bonds are payable as to principal and interest solely from and secured by a pledge of the Pledged Revenues in the manner and to the extent provided in the Bond Ordinance. Neither the faith and credit nor the ad valorem taxing power of the County, the State of Florida or any political subdivision thereof are pledged to the payment of the principal of, or interest on, the Series 2008C Bonds.

3. The interest on the Series 2008C Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

A portion of the interest on the Series 2008C Bonds earned by certain corporations may be subject to a federal corporate alternative minimum tax. In addition, interest on the Series 2008C Bonds

may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations.

In giving the foregoing opinion in numbered paragraph 3, we have relied upon, and assumed continuing compliance with, the County's covenants and the accuracy, which we have not independently verified, of the representations and certifications of the County contained in the Transcript. The County's continuing compliance with those covenants, and the accuracy of those representations and certifications, may be necessary for the interest on the Series 2008C Bonds to be and to remain excluded from gross income for federal income tax purposes. Failure to comply with certain requirements subsequent to issuance of the Series 2008C Bonds may cause interest on the Series 2008C Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2008C Bonds.

4. The Series 2008C Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

We express no opinion as to the statement of insurance on the Series 2008C Bonds referring to the municipal bond insurance policy issued by Financial Security Assurance Inc., or as to that insurance referenced in the statement of insurance.

Respectfully submitted,

APPENDIX E

PROPOSED FORM OF OPINION OF DISCLOSURE COUNSEL

Board of County Commissioners
of Miami-Dade County, Florida
Miami, Florida

Ladies and Gentlemen:

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APPENDIX F

SPECIMEN OF BOND INSURANCE POLICY

EXHIBIT 4

MIAMI-DADE COUNTY, FLORIDA

and

_____,
as Escrow Agent

_____

ESCROW DEPOSIT AGREEMENT

Relating to

MIAMI-DADE COUNTY, FLORIDA
WATER AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2005

_____

DATED AS OF _____, 2008

ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT (the "Agreement") made and entered into as of _____, 2008 by and between MIAMI-DADE COUNTY, FLORIDA (the "County") and _____, as Escrow Agent (the "Escrow Agent").

W I T N E S S E T H:

WHEREAS, the County has heretofore issued its $295,240,000 original aggregate principal amount of Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2005, dated as of September 29, 2005, all of which are currently outstanding (the "Refunded Bonds"), all pursuant to the provisions of Ordinance No. 93-134, duly enacted by the Board of County Commissioners of Miami-Dade County (the "Board") on November 16, 1993, as amended (the "Master Ordinance"); and

WHEREAS, the County has issued its $_____ aggregate principal amount Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2008C (the "Bonds"), a portion of the proceeds of which is to be deposited with the Escrow Agent to provide for the refunding, defeasance and redemption of the Refunded Bonds; and

WHEREAS, a portion of the proceeds from the sale of the Bonds deposited with the Escrow Agent will be applied to the purchase of Defeasance Obligations (as such term is defined in this Agreement), which will mature and produce investment income and earnings at such time and in such amount, as will be sufficient, together with the remaining portion of the proceeds from the sale of the Bonds deposited with the Escrow Agent and other available moneys hereinafter described deposited with the Escrow Agent remaining uninvested, to pay when due, until and including their redemption date, the principal of and the redemption premium and interest on the Refunded Bonds as more specifically set forth herein; and

WHEREAS, in order to provide for the proper and timely application of the moneys deposited hereunder, the maturing principal amount of the Defeasance Obligations purchased therewith, and investment income and earnings derived therefrom to the payment of the Refunded Bonds, it is necessary for the County to enter into this Agreement with the Escrow Agent;

NOW, THEREFORE, the County and the Escrow Agent, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the principal of and the redemption premium and interest on all of the Refunded Bonds according to their tenor and effect, do hereby agree as follows:

ARTICLE I

CREATION AND CONVEYANCE OF TRUST ESTATE

Section 1.01. Creation and Conveyance of Trust Estate. The County hereby grants, warrants, remises, releases, conveys, assigns, transfers, aliens, pledges, sets over and confirms

unto the Escrow Agent and to its successors in the trust hereby created, and to it and its assigns forever, all and singular the property hereinafter described, to wit:

DIVISION I

All right, title and interest in and to (i) $_____ in moneys deposited directly with the Escrow Agent and derived from the proceeds of the Bonds upon issuance and delivery of the Bonds and execution of and delivery of this Agreement, and (ii) $_____ withdrawn from the Series 2005 Bond Service Subaccount in the Debt Service Fund under the Master Ordinance and deposited into the Escrow Deposit Trust Fund established under this Agreement (the "Other Moneys").

DIVISION II

All right, title and interest in and to the Defesance Obligations described in Schedule B attached hereto and made a part hereof, together with the income and earnings thereon.

DIVISION III

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred as and for additional security hereunder by the County, or by anyone on behalf of the County to the Escrow Agent for the benefit of the Refunded Bonds.

DIVISION IV

All property which is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property that may, from time to time hereafter, by delivery or by writing of any kind, by the County, or by anyone on its behalf, be subject to the pledge hereof.

TO HAVE AND TO HOLD, all and singular, the Trust Estate (as such term is hereinafter defined), including all additional property which by the terms hereof has or may become subject to the encumbrances of this Agreement, unto the Escrow Agent, and its successors and assigns, forever in trust, however, for the sole benefit and security of the holders from time to time of the Refunded Bonds, but if the principal of and the redemption premium and interest on all of the Refunded Bonds shall be fully and promptly paid when due, in accordance with the terms thereof and of this Agreement, then this Agreement shall be and become void and of no further force and effect except as otherwise provided herein; otherwise the same shall remain in full force and effect, and upon the trusts and subject to the covenants and conditions hereinafter set forth.

ARTICLE II

DEFINITIONS

Section 2.01. Definitions. In addition to words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings, unless some other meaning is plainly intended. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in the Bond Ordinance.

"Defeasance Obligations" shall mean direct non-callable obligations of the United States of America.

"Trust Estate", "trust estate" or "pledged property" shall mean the property, rights and interests described or referred to under Divisions I, II, III and IV in Article I above.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. The word "person" shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

ARTICLE III

ESTABLISHMENT OF ESCROW DEPOSIT TRUST FUND; FLOW OF FUNDS

Section 3.01. Creation of Escrow Deposit Trust Fund and Deposit of Moneys. There is hereby created and established with the Escrow Agent a special and irrevocable trust fund designated "Miami-Dade County, Florida Water and Sewer System Revenue Refunding Bonds, Series 2005 Escrow Deposit Trust Fund" (the "Escrow Deposit Trust Fund"), to be held by the Escrow Agent for the sole benefit of the holders of the Refunded Bonds and accounted for separate and apart from the other funds of the County and, to the extent required by law, of the Escrow Agent.

Concurrently with the delivery of this Agreement, the County herewith causes to be deposited with the Escrow Agent and the Escrow Agent acknowledges receipt of immediately available moneys for deposit in the Escrow Deposit Trust Fund in the amount of $_____, consisting of $_____ from the proceeds of the Bonds and $_____ in Other Moneys, $_____ of which proceeds of the Bonds when invested in Defeasance Obligations will, together with $_____ from said proceeds of the Bonds and Other Moneys to be held uninvested, provide moneys sufficient to pay the principal of and the redemption premium and interest on the Refunded Bonds, until and including their redemption date, as more particularly described in Schedule C attached hereto and made a part hereof.

Section 3.02. Payment of Refunded Bonds. The Bond proceeds received by the Escrow Agent will be sufficient to purchase $_____ par amount of Defeasance Obligations, all as listed in Schedule B attached hereto and made a part hereof, which will mature in principal amounts and earn income at such times, all as described in Schedule B, so that sufficient moneys will be available to pay as the same are due and payable all principal of and redemption premium and interest on the Refunded Bonds. Notwithstanding the foregoing, if the amounts deposited in the Escrow Deposit Trust Fund are insufficient to make said payments of principal and redemption premium and interest, the County shall cause to be deposited into the Escrow Deposit Trust Fund the amount of any deficiency immediately upon notice from the Escrow Agent.

Section 3.03. Irrevocable Trust Created. The deposit of moneys and Defeasance Obligations or other property hereunder in the Escrow Deposit Trust Fund shall constitute an irrevocable deposit of said moneys and Defeasance Obligations and other property hereunder for the sole benefit of the holders of the Refunded Bonds, subject to the provisions of this Agreement. The holders of the Refunded Bonds, subject to the provisions of this Agreement, shall have an express lien on all moneys and principal of and earnings on the Defeasance Obligations and other property in the Escrow Deposit Trust Fund. The moneys deposited in the Escrow Deposit Trust Fund and the matured principal of the Defeasance Obligations and other property hereunder and the interest thereon shall be held in trust by the Escrow Agent and applied to the payment of the principal of and the redemption premium and interest on the Refunded Bonds until and including their redemption date, as more specifically set forth in Schedule C hereto.

Section 3.04. Purchase of Defeasance Obligations. The Escrow Agent is hereby directed to immediately purchase the Defeasance Obligations listed on Schedule B from the proceeds of the Bonds as described in Sections 3.01 and 3.02 hereof. The Escrow Agent shall purchase the Defeasance Obligations solely from the proceeds of the Bonds deposited in the Escrow Deposit Trust Fund as provided in Sections 3.01 and 3.02 hereof. The Escrow Agent shall apply the moneys deposited in the Escrow Deposit Trust Fund and the Defeasance Obligations purchased therewith, together with all income or earnings thereon, in accordance with the provisions hereof. The Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Defeasance Obligations held hereunder or to sell, transfer or otherwise dispose of the Defeasance Obligations held hereunder except as provided in this Agreement. The Escrow Agent is hereby directed not to invest $_____ deposited in the Escrow Deposit Trust Fund but to hold such amount uninvested and without liability for interest.

The County covenants to take no action in the investment, reinvestment or security of the Escrow Deposit Trust Fund in violation of this Agreement and recognizes that any such action in contravention of this Agreement might cause the Bonds or the Refunded Bonds to be classified as "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code").

Section 3.05. Substitution of Certain Defeasance Obligations.

(a) If so directed in writing by the County on the date of delivery of this Agreement, the Escrow Agent shall accept in substitution for all or a portion of the Defeasance Obligations listed in Schedule B, Defeasance Obligations (the "Substituted Securities"), the principal of and interest on which, together with any Defeasance Obligations listed in Schedule B for which no substitution is made and moneys held uninvested by the Escrow Agent, will be sufficient to pay the principal of and the redemption premium and interest on the Refunded Bonds as set forth in Schedule C hereof. The foregoing notwithstanding, the substitution of Substituted Securities for any of the Defeasance Obligations listed in Schedule B may be effected only upon compliance with Section 3.05(b)(1) and (2) below.

(b) If so directed in writing by the County at any time during the term of this Agreement, the Escrow Agent shall sell, transfer, exchange or otherwise dispose of, or request the redemption of, all or a portion of the Defeasance Obligations then held in the Escrow Deposit Trust Fund and shall substitute for such Defeasance Obligations other Defeasance Obligations,

designated by the County, and acquired by the Escrow Agent with the proceeds derived from the sale, transfer, disposition or redemption of or by the exchange of such Defeasance Obligations held in the Escrow Deposit Trust Fund, but only upon the receipt by the Escrow Agent of:

(1) an opinion of nationally recognized counsel in the field of law relating to municipal bonds stating that such substitution will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Refunded Bonds and the Bonds and is not inconsistent with this Agreement and the statutes and regulations applicable to the Refunded Bonds and the Bonds; and

(2) verification from an independent certified public accountant stating that the principal of and interest on the substituted Defeasance Obligations, together with any Defeasance Obligations and any uninvested moneys remaining in the Escrow Deposit Trust Fund will be sufficient, without reinvestment, to pay the principal of and the redemption premium and interest on the Refunded Bonds as set forth in Schedule C hereof.

Any moneys resulting from the sale, transfer, disposition or redemption of the Defeasance Obligations held hereunder and the substitution therefor of other Defeasance Obligations not required to be applied for the payment of such principal of and redemption premium and interest on the Refunded Bonds (as shown in the verification report described in Section 3.05(b)(2) hereof delivered in connection with such substitution), shall be transferred to the County for deposit in the Series 2005 Bond Service Subaccount in the Debt Service Fund established under the Master Ordinance. Upon any such substitution of Defeasance Obligations pursuant to Section 3.05, Schedule B hereto shall be appropriately amended to reflect such substitution.

The Escrow Agent shall be under no duty to inquire whether the Defeasance Obligations as deposited in the Escrow Deposit Trust Fund are properly invested under the Code, except as specifically set forth in this Section 3.05, and provided further that the Escrow Agent may rely on all specific directions in this Agreement providing for the investment or reinvestment of the Escrow Deposit Trust Fund.

Section 3.06. Transfers from Escrow Deposit Trust Fund. As the principal of the Defeasance Obligations set forth in Schedule B shall mature and be paid, and the investment income and earnings thereon are paid, the Escrow Agent shall, no later than the payment dates for the Refunded Bonds, as specified in Schedule C hereof, pay from the Escrow Deposit Trust Fund the principal of and the redemption premium and interest on the Refunded Bonds, as specified in Schedule C hereof. The Escrow Agent and The Bank of New York Mellon, as successor Paying Agent for the Refunded Bonds (the "Paying Agent"), are hereby irrevocably instructed to call for redemption on _____, 2008, the Refunded Bonds, without premium, at a redemption price equal to 100% of the principal amount of said Refunded Bonds, without premium, all as provided in Schedule C hereof and in accordance with Article III of the Master Ordinance. The Escrow Agent and the Paying Agent shall perform their responsibilities in connection with the redemption of the Refunded Bonds, including the giving of notice of redemption as required under the Master Ordinance. A copy of the notice of redemption shall be provided to Financial Security Assurance Inc. ("FSA").

Section 3.07. Investment of Certain Moneys Remaining in Escrow Deposit Trust Fund. Subject to the provisions of Section 3.04, the Escrow Agent shall invest and reinvest, at the written direction of the County, in Defeasance Obligations any moneys remaining from time to time in the Escrow Deposit Trust Fund until such time as they are needed. Such moneys shall be reinvested in such Defeasance Obligations for such periods, and at such interest rates, as the Escrow Agent shall be directed to invest in writing by the County, which periods and interest rates shall be set forth in an opinion from nationally recognized counsel in the field of law relating to municipal bonds to the County and to the Escrow Agent, which opinion shall also be to the effect that such reinvestment of such moneys in such Defeasance Obligations for such period and at such interest rates will not, under the statutes and regulations applicable to the Refunded Bonds and the Bonds, cause the interest on such Refunded Bonds or Bonds to be included in gross income for federal income tax purposes and that such investment is not inconsistent with the statutes and regulations applicable to the Refunded Bonds and the Bonds. Any interest income resulting from reinvestment of moneys pursuant to this Section 3.07 not required to be applied for the payment of the principal of and the redemption premium and interest on the Refunded Bonds shall, without further direction from the County, shall be transferred to the County for deposited in the Series 2008C Bond Service Subaccount of the Debt Service Fund established under the Master Ordinance.

Section 3.08. Escrow Deposit Trust Fund Constitutes Trust Fund. The Escrow Deposit Trust Fund created and established pursuant to this Agreement shall be and constitute a trust fund for the purposes provided in this Agreement and shall be kept separate and distinct from all other funds of the County and, to the extent required by law, of the Escrow Agent and used only for the purposes and in the manner provided in this Agreement.

Section 3.09. Transfer of Funds After All Payments Required by this Agreement are Made. After payment of the principal of and the redemption premium and interest on the Refunded Bonds as provided in Schedule C have been made, all remaining moneys and securities, together with any income and interest thereon, in the Escrow Deposit Trust Fund shall, without further direction from the County, be transferred to the County for deposit in the Series 2008C Bond Service Subaccount of the Debt Service Fund established under the Master Ordinance; provided, however, that no such transfers (except transfers made in accordance with Sections 3.05 and 3.07 hereof) shall be made until all of the principal of and the redemption premium and interest on the Refunded Bonds have been paid. Such transfer shall be made using the following wire transfer instructions:

Wachovia Bank, N.A.
ABA #: 063000021
Account #: 2696206696688
For Miami-Dade County General Operating Account

ARTICLE IV

CONCERNING THE ESCROW AGENT

Section 4.01. Liability of Escrow Agent. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. The Escrow Agent shall not be liable for any loss resulting from any investments

made pursuant to the terms of this Agreement. The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of moneys and of the principal amount of the Defeasance Obligations and the earnings thereon to pay the Refunded Bonds. So long as the Escrow Agent applies any moneys, Defeasance Obligations and interest earnings therefrom to pay the Refunded Bonds as provided herein, and complies fully with the terms of this Agreement and the Master Ordinance, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. The rights, privileges, duties, and immunities of the Paying Agent (as defined in the Master Ordinance) under the Master Ordinance shall be applicable to the Escrow Agent under this Agreement and are hereby incorporated into this Agreement for such purpose.

The Escrow Agent shall have no lien, security interest or right of set-off whatsoever upon any of the moneys or investments in the Escrow Deposit Trust Fund for the payment of fees or expenses for the services rendered by the Escrow Agent under this Agreement.

Section 4.02. Permitted Acts. The Escrow Agent and its affiliates may become the owner of all or may deal in the Refunded Bonds as fully and with the same rights as if it were not the Escrow Agent.

Section 4.03. Payment to Escrow Agent. The County shall pay to the Escrow Agent compensation for all services rendered by it hereunder and also its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created, and the performance of its powers and duties hereunder, including, without limitation, all advances, counsel fees and other expenses reasonably made or incurred by the Escrow Agent in connection with such services, all in accordance with the fee proposal submitted by the Escrow Agent.

Section 4.04. Indemnification of Escrow Agent. The County shall, to the extent permitted by law solely from available Revenues, indemnify and save the Escrow Agent harmless against any liabilities which it may incur in the exercise and performance of its duties and the trusts established hereunder, except and unless such liabilities arise out of or result from the negligence or willful misconduct of the Escrow Agent. In no event, however, shall the Escrow Agent have any lien, security interest or right of set off whatsoever upon the moneys or investments in the Escrow Deposit Trust Fund.

ARTICLE V

MISCELLANEOUS

Section 5.01. Amendments to this Agreement. This Agreement is made for the benefit of the holders from time to time of the Refunded Bonds and shall not be repealed, revoked, altered or amended without the written consent of all such holders of the Refunded Bonds, the Escrow Agent and the County; provided, however, that the County and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement which shall not adversely affect the rights of such holders and shall not be inconsistent with the terms and provisions of this Agreement for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Agreement; or

(b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.

The Escrow Agent shall be entitled to rely upon an unqualified opinion of a nationally recognized counsel in the field of law relating to municipal bonds with respect to compliance with this Section.

Section 5.02. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the County, or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 5.03. Agreement Binding. All the covenants, proposals and agreements in this Agreement contained by or on behalf of the County or by or on behalf of the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 5.04. Notices to Escrow Agent and County. Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the Escrow Agent or the County, shall be deemed to have been sufficiently given or filed for all purposes of this Agreement if personally delivered and receipted for, or if sent by registered or certified United States mail, return receipt requested, addressed as follows:

(a) As to the County -

Miami-Dade County, Florida
c/o Finance Director's Office
111 N.W. 1st Street
Suite 2550
Miami, Florida 33128-1995

With a copy to:

Miami-Dade Water and Sewer Department
c/o Assistant Director - Finance
3071 S.W. 38th Avenue
Room 506
Miami, Florida 33146

(b) As to the Escrow Agent –

Any party hereto may, by notice sent to the other parties hereto, designate a different or additional address to which notices under this Agreement are to be sent.

Section 5.05. Notice of Defeasance. The County hereby irrevocably instructs the Escrow Agent to give the registered owners of the Refunded Bonds, the nationally recognized municipal securities information repositories and FSA, notice of the defeasance of the Refunded Bonds within thirty (30) days after the Defeasance Obligations shall have been deposited with the Escrow Agent. Such notice of defeasance shall be in substantially the form set forth in Schedule D attached hereto and made a part hereof.

Section 5.06. Termination. This Agreement shall terminate when all payments required to be made by the Escrow Agent under the provisions hereof shall have been made.

Section 5.07. Execution by Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

Section 5.08. Governing Law. This Agreement and the rights and obligations of the parties under this Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized officers and its official seal or corporate seal, as the case may be, to be hereunto affixed and attested as of the date first above written.

MIAMI-DADE COUNTY, FLORIDA

(SEAL)

By: _____
Rachel E. Baum, C.P.A.
Finance Director

Approved as to form:

By: _____
Assistant County Attorney

_____,
as Escrow Agent

(SEAL)

By: _____
_____
_____

SCHEDULE A

REFUNDED BONDS

Maturity Date	Principal Amount	Interest Mode
October 1, 2025	$295,240,000	Weekly

SCHEDULE B

INVESTMENT OF BOND PROCEEDS

Type of Security	Maturity Date	Par Amount	Interest Rate
		$	%

SCHEDULE C

SCHEDULE OF PAYMENTS ON
REFUNDED BONDS

Payment Date	Principal	Premium	Interest	Total
	$	$	$	$

SCHEDULE D

NOTICE OF DEFEASANCE

Miami-Dade County, Florida
Water and Sewer System Revenue Refunding Bonds, Series 2005
Dated: September 29, 2005

Maturity Date	Principal Amount	Interest Mode	Redemption Price	CUSIP Numbers*
October 1, 2025	$295,240,000	Weekly	100%	59334DBD5

NOTICE IS HEREBY GIVEN that moneys have been deposited with _____, as Escrow Agent, for the payment of the principal of, redemption premium and interest on the outstanding bonds identified above (collectively, the "Bonds"), and such moneys, except to the extent maintained in cash, have been invested in direct obligations of the United States of America. The Bank of New York Mellon, as successor Paying Agent for the Bonds, and the Escrow Agent have been irrevocably instructed to call the Bonds for redemption prior to maturity, pursuant to their respective optional redemption provisions, on _____, 2008 at the redemption price identified above.

The amount so deposited as aforesaid has been calculated to be adequate to pay, when due, the principal of, redemption premium and interest on the Bonds to and including the redemption date described above. In accordance with Section 901 of Ordinance No. 93-134 enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on November 16, 1993, as amended and supplemented and particularly as supplemented by Resolution No. R-228-04, adopted by the Board on February 17, 2004 (collectively the "Master Ordinance"), the right, title and interest of the Holders of the Bonds under the Master Ordinance and Resolution No. R-646-05 adopted by the Board on June 7, 2005, has ceased, determined and become void.

_____,
as Escrow Agent

Dated: _____, 2008

* No representation is made as to the correctness of these CUSIP numbers either as printed on the Bonds or contained in this Notice.