Memorandum

MIAMI-DADE COUNTY

Date: January 22, 2009

Agenda Item No. 5(E)

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Resolution Authorizing Issuance of $600 Million of Aviation Revenue Bonds

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Recommendation

It is recommended that the Board of County Commissioners (Board) adopt the accompanying Resolution (Series 2009 Resolution) authorizing the issuance, in one or more tranches (series of smaller issues) of Aviation Revenue Bonds, Series 2009 (Series 2009 Bonds) in an aggregate principal amount not to exceed $600,000,000 pursuant to Sections 210 and 211 of the Trust Agreement and other Authorizations defined below. The Series 2009 Bonds will be issued for the purposes of: (i) refinancing all or a portion of the then outstanding Aviation Commercial Paper Notes (CP Notes) issued to fund all or a portion of the cost of the design and construction of the projects in the Aviation Department's Capital Improvement Program (CIP); (ii) financing or reimbursing the County for all or a portion of the cost of certain Capital costs of the CIP; (iii) funding a deposit into the Reserve Account with respect to the Series 2009 Bonds; (iv) paying certain costs of issuance relating to the Series 2009 Bonds; and (v) paying capitalized interest on the Series 2009 Bonds for a short period of time.

Scope

This item provides funding for capital improvements to Port Authority Properties, as described in Exhibit "A" of the Series 2009 Resolution which will have a countywide impact. Port Authority Properties include all properties owned and operated by the County through the Aviation Department, including its airports (MIA, Opa-Locka Airport, Opa-Locka West Airport, Kendall-Tamiami Executive Airport, Homestead General Aviation Airport and Dade-Collier Training and Transition Airport).

Fiscal Impact/Funding Source

The principal and interest on the Series 2009 Bonds shall be payable from the Aviation Revenues. Based on current market conditions, debt service is estimated to be $54 million per annum for approximately 32 years. Current projections are being calculated at a true interest cost (TIC) of eight percent, which is higher than usual; however, this is being done as a precautionary measure resulting from the current volatility and uncertainty in the municipal bond market and the continued rating downgrades of the troubled bond insurers, limiting future availability of municipal bond insurance. Even though the delegation parameter in the Series 2009 Resolution is recommended at a TIC of eight percent which gives the County the greatest flexibility during the current market environment, it is anticipated that market conditions would have improved and the true interest cost would be more favorable by the time the Series 2009 Bonds are all priced. Principal amortization of the Series 2009 Bonds is projected to start in Fiscal Year 2018, to maintain an overall level debt service with the currently outstanding Aviation debt payments *(see Schedule 1 to this memorandum)* and a manageable cost per enplaned passenger.

Background

Beginning in 1994, the Aviation Department started the cash flow method of financing (as opposed to project financing) to fund CIP projects. This allowed the Aviation Department to issue bonds when

needed, which reduced the possibility of paying long term interest rates on bond proceeds that were not being used immediately due to delays or changes made to the CIP. This method of financing also reduces the possibility of the County and the Aviation Department violating the 1986 Arbitrage Rebate Act.

The CIP is presently budgeted at $6.23 billion and includes an amount approximately of $2.9 billion for the North Terminal expansion. Currently, $6.2 billion in aviation revenue bonds have been authorized by Ordinances No. 95-38, No. 96-31, No. 97-207 and No. 08-121 (collectively, the Authorizations) and pursuant to those Authorizations, approximately $4.142 billion in aviation revenue bonds have actually been issued.

In order to access capital funds on an as needed basis, the Aviation Department instituted a commercial paper program (CP Program) in 2000 which was reauthorized in 2005 when the Board adopted Resolution R-235-05. The CP Program is supported by a Letter of Credit and Reimbursement Agreement among the County, BNP Paribas and Dexia Credit Local (Dexia). Each bank provides liquidity up to $204 million (principal and interest) of CP Notes.

The County has not been able to access the CP market at this time because of the current lack of liquidity in the capital markets coupled with Dexia's recent rating downgrade. In the interim, the Aviation Department has been funding its capital project costs with Passenger Facility Charges (PFCs) and Environmental Cost Recovery Fund revenues, which will be reimbursed with Series 2009 Bonds proceeds, to facilitate the construction of the CIP and avoid stoppage of work. If market conditions improve between now and the anticipated closing date of the Series 2009 Bonds, the County will access the CP market.

A public hearing is being held on the date of final Board approval of the Series 2009 Resolution in order to comply with the provisions of Section 147(f) of the Internal Revenue Code, as amended, in accordance with the form of the public hearing notice on file with the Clerk as Exhibit "B" and published in the *Miami Herald*.

In addition to authorizing the issuance of up to $600 million dollars in one or more tranches of aviation revenue bonds for the CIP Projects included but not limited to those listed in Exhibit "A", the Series 2009 Resolution authorizes the County Mayor or the County Mayor's designee to:

- Issue the Series 2009 Bonds as fixed rate serial bonds, term bonds or a combination of them with maturity dates not to exceed 40 years in one or more tranches (which tranche may or may not be sold or issued at the same time as other tranches) and to determine the designation of each tranche, if applicable;
- Negotiate and obtain bond insurance, if deemed appropriate and in the best interest of the County, after consultation with the Aviation Department's Financial Advisors, the Aviation Director, the Office of the County Attorney and Bond Counsel;
- Negotiate and obtain a surety bond or cash fund the Debt Service Reserve Account, in an amount equal to the increase in the Reserve Requirement resulting from the issuance of the Series 2009 Bonds, if deemed appropriate and in the best interest of the County, after consultation with the Financial Advisors, the Aviation Director, the Office of the County Attorney and Bond Counsel;
- Set redemption provisions, after consultation with the Financial Advisors, and the Aviation Director;
- Award the Series 2009 Bonds to Barclays Capital Inc., as senior manager as representative and on behalf of the Underwriters named in the Bond Purchase

Agreement, provided that the true interest cost of the Series 2009 Bonds does not exceed eight percent;
- Execute and deliver to the Underwriters one or more Bond Purchase Agreements (Bond Purchase Agreement), substantially in the form on file with the Clerk's Office as Exhibit "C" to this Series 2009 Resolution; and
- Authorize the use of the Preliminary Official Statement substantially in the form attached as Exhibit "D" to this Series 2009 Resolution and permit the distribution of the final Official Statement.

The Series 2009 Resolution further provides for:
- The use of Book-Entry Only System form of registration for the Series 2009 Bonds;
- Continuing Disclosure Commitment, as required under the provisions of Rule 15c2-12, as amended, of the Securities and Exchange Commission; and
- The appropriate officials of the County to take all actions necessary in connection with the issuance of the Series 2009 Bonds and the closing of this transaction.

The proceeds from the Series 2009 Bonds are anticipated to be used as follows:

• Deposit to Construction Fund *Refunding of any existing CP Notes, Repayment of internally borrowed Aviation funds and issuance of additional proceeds for projects already included in the CIP.*	$ 494.0 million
• Capitalized Interest (see below)	68.5 million
• Deposit to Reserve Account (if no Surety)	26.7 million
• Other Costs of Issuance (see below)	7.5 million
• Original Issue Discount	3.3 million
	$600 million

Capitalized interest is estimated for a period of 18 months while revenue producing projects come on board. Estimated "Other Costs of Issuance" represent $4.5 million for Underwriters' Discount and $3 million for costs for issuing the Series 2009 Bonds, which include payment of expenses such as professional fees for bond counsel, disclosure counsel, trustee counsel, rating agencies fees, etc. Any funds left after payment of these costs would be transferred to the Construction Fund.

The CIP projects in Exhibit A to the Series 2009 Resolution that will continue to receive funding, if this item is adopted are:

Airside:
- Runway pavement reconstruction.

Terminal and Concourse Improvements
- North Terminal: Reconfiguration of the terminal and concourses between Concourses A and D to create a 48-gate linear facility to support the international gateway operations of American Airlines and its partners. Includes for utility infrastructure expansion.
- South Terminal: Renovation of existing terminal space in and adjacent to Concourse H.

Other Terminal Projects: Life safety and building code upgrades, major repairs, and loading bridges in the Central Terminal.

Landside:

- Roadways and Parking: Improvements to the Perimeter Road and an upgrade of the Airport's short term parking facilities.
- MIA Mover: Construction of an elevated automated people mover system connecting the Terminal Building to remote ground transportation facilities at an inter-modal hub to be built by FDOT.

Support Programs: Replacement or upgrade of security and business systems.

Cargo and Aircraft Maintenance

- Upgrading and expansion of cargo processing and aircraft maintenance facilities.

General Aviation Airports:

- Airfield, security and support facility improvements.

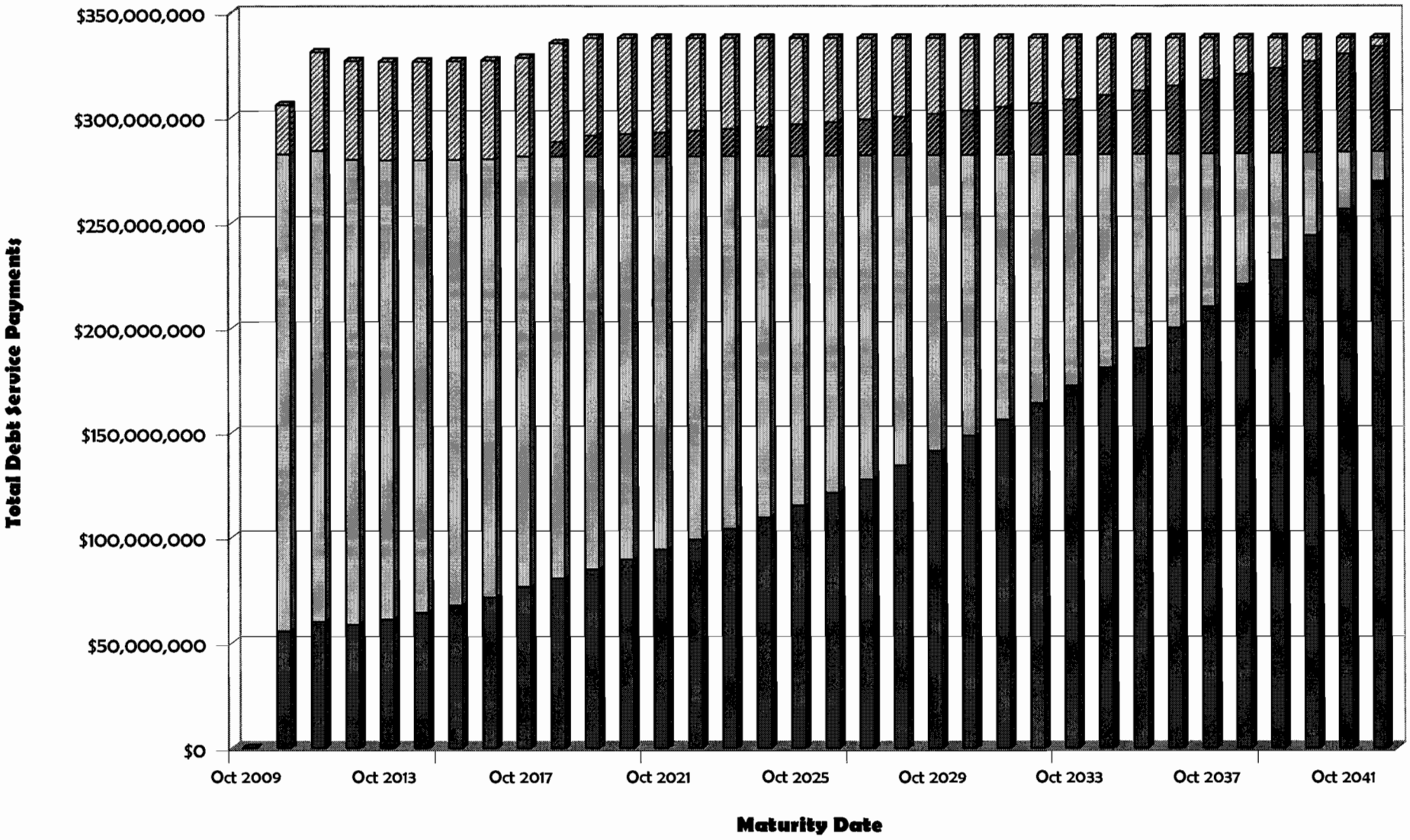
The Series 2009 Bonds are expected to be issued in the first quarter of 2009.

Assistant County Manager

SCHEDULE 1

MIAMI-DADE COUNTY, FLORIDA

EXISTING and PRELIMINARY SERIES 2009 AVIATION REVENUE BOND DEBT SERVICE PAYMENTS



SERIES RESOLUTION

RESOLUTION NO. R-_____

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MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: January 22, 2009

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

SUBJECT: Agenda Item No. 5(E)

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. 5(E)
1-22-09

RESOLUTION NO. _____

RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED $600,000,000 OF 2009 AVIATION REVENUE BONDS, IN ONE OR MORE TRANCHES, FOR SPECIFIED PURPOSES PURSUANT TO SECTION 210 OF AMENDED AND RESTATED TRUST AGREEMENT AND APPLICABLE ORDINANCES; APPROVING ISSUANCE AFTER PUBLIC HEARING AS REQUIRED BY SECTION 147(f) OF INTERNAL REVENUE CODE OF 1986, AS AMENDED; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE, WITHIN CERTAIN LIMITATIONS AND RESTRICTIONS, TO FINALIZE TERMS AND OTHER PROVISIONS OF BONDS; PROVIDING CERTAIN COVENANTS AND OTHER REQUIREMENTS; FINDING NECESSITY FOR AND AUTHORIZING NEGOTIATED SALE; APPROVING FORMS OF AND AUTHORIZING CERTAIN DOCUMENTS; AUTHORIZING COUNTY OFFICIALS TO TAKE ALL NECESSARY ACTIONS IN CONNECTION WITH ISSUANCE, SALE AND DELIVERY OF BONDS; AND PROVIDING FOR SEVERABILITY

WHEREAS, on February 21, 1995 the Board of County Commissioners of Miami-Dade County, Florida (the "Board") enacted Ordinance No. 95-38 (the "1995 Ordinance") authorizing the issuance of up to $1,200,000,000 in Aviation Revenue Bonds (the "1995 Authorization"), on February 6, 1996 the Board enacted Ordinance No. 96-31 (the "1996 Ordinance") authorizing the issuance of up to $2,600,000,000 in additional Aviation Revenue Bonds (the "1996 Authorization"), on November 4, 1997 the Board enacted Ordinance No. 97-207 (the "1997 Ordinance") authorizing the issuance of up to $500,000,000 in additional Aviation Revenue Bonds (the "1997 Authorization"), and on October 21, 2008 the Board enacted Ordinance No. 08-121 (the "2008 Ordinance" and collectively with the 1995 Ordinance, the 1996 Ordinance and the 1997 Ordinance, the "Ordinance") authorizing the issuance of up to $1,900,000,000 in additional Aviation Revenue Bonds (the "2008 Authorization"), in one or more series, pursuant to the

provisions of Section 210 of the Amended and Restated Trust Agreement dated as of December 15, 2002 (the "Trust Agreement") by and among Miami-Dade County, Florida (the "County"), The Bank of New York Mellon, successor in interest to JPMorgan Chase Bank, as trustee (the "Trustee"), and U.S. Bank National Association (as successor in interest to Wachovia Bank, National Association), as co-trustee (the "Co-Trustee"), and prior to the execution and delivery of the Trust Agreement, under the provisions of Section 210 of the Trust Agreement dated as of October 1, 1954, as amended (the "Original Trust Agreement"), by and between the County, the Trustee and the Co-Trustee, which Original Trust Agreement was amended and restated by the Trust Agreement, for the purpose of financing the cost ("cost" as used herein shall have the meaning assigned thereto in the hereinafter described Trust Agreement) of various Port Authority Properties projects for the airport system of the County; and

WHEREAS, pursuant to the Ordinance, the County has issued Bonds (as defined in the Ordinance), exclusive of refunding Bonds, in the aggregate principal amount of $4,141,515,000 under the provisions of Section 210 of the Trust Agreement; and

WHEREAS, pursuant to the Ordinance, the Board desires to authorize the issuance of additional bonds under the Act (defined below), in one or more Tranches (defined below), in an aggregate principal amount of not exceeding $600,000,000 (such issue to be collectively known as the "Series 2009 Bonds"), for the principal purposes of (i) refunding all or a portion of the then outstanding Miami-Dade County, Florida Aviation Commercial Paper Notes, Series A (AMT) and Aviation Commercial Paper Notes, Series B (NON-AMT) (such notes to be refinanced, the "CP Notes"), if any, issued to fund all or a portion of the cost of certain Improvements (as defined in the Trust Agreement) to Port Authority Properties, (ii) financing or reimbursing the County for all or a

portion of the cost of certain Improvements to Port Authority Properties, (iii) making a deposit to the Reserve Account (as defined in the Trust Agreement), including the deposit of a Reserve Facility or Facilities (as defined in the Trust Agreement), if any, (iv) paying certain costs of issuance, including the premiums for any Credit Facility (as defined in the Trust Agreement) and/or Reserve Facility, if any, relating to the Series 2009 Bonds, if deemed advisable, and (v) paying capitalized interest, if any, on all or a portion of the Series 2009 Bonds; and

WHEREAS, pursuant to Section 210 of the Trust Agreement, the County is authorized to issue revenue bonds to finance the cost of Improvements to Port Authority Properties or Projects, including the payment of any notes issued to temporarily finance such cost; and

WHEREAS, First Southwest Company and Frasca & Associates, L.L.C. (collectively, the "Financial Advisor"), financial advisors to the Miami-Dade County Aviation Department (the "Aviation Department"), have recommended to the County that a negotiated sale of the Series 2009 Bonds, in one or more Tranches, is in the best interest of the County for the reasons set forth in Section 3D of this resolution (the "Series 2009 Resolution"); and

WHEREAS, the Board, on this date, conducted a public hearing with respect to the issuance of the Series 2009 Bonds in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and having the benefit of the hearing, the Board desires to approve the issuance of the Series 2009 Bonds as required by Section 147(f) of the Code; and

WHEREAS, the Board wishes to authorize the Finance Director of the County as the County Mayor's designee (the "Finance Director") to (i) determine the terms of the Series 2009 Bonds within the limitations specified in this Series 2009 Resolution, (ii) execute, if necessary, and deliver certain agreements, instruments and certificates in connection with the Series 2009 Bonds

including, without limitation, the Bond Purchase Agreement, Preliminary Official Statement and Official Statement, (iii) secure a Credit Facility and/or a Reserve Facility, if deemed advisable, and (iv) take all action and to make such further designations necessary or desirable in connection with the issuance and sale of the Series 2009 Bonds, all subject to the limitations contained in this Series 2009 Resolution; and

WHEREAS, the Board wishes to authorize the execution and delivery of one or more Bond Purchase Agreements (collectively, the "Bond Purchase Agreement"), as the case may be, with Barclays Capital Inc., as representative, acting on behalf of itself and the other underwriters named in the Bond Purchase Agreement (collectively, the "Underwriters"), in substantially the form on file at the Clerk's Office as Exhibit "C" to this Series 2009 Resolution; and

WHEREAS, the Board wishes to authorize the distribution, use and delivery of one or more Preliminary Official Statements, as the case may be, in substantially the form attached as Exhibit "D" to this Series 2009 Resolution, and one or more final Official Statements, as the case may be, with the approval of the Office of the Miami-Dade County Attorney (the "County Attorney"), Greenberg Traurig, P.A. and Edwards & Associates, P.A. ("Bond Counsel") and Edwards Angell Palmer & Dodge LLP and Rasco, Reininger, Perez, Esquenazi & Vigil, P.L. ("Disclosure Counsel"), and after consultation with the Aviation Director and the Financial Advisor as provided in Section 8 of this Series 2009 Resolution, in connection with the Series 2009 Bonds; 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 2009 Resolution by reference,

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

Section 1. Authority. This Series 2009 Resolution is adopted pursuant to the provisions of the Constitution and laws of the State of Florida (the "State"), including the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, and Chapters 125 and 166, Florida Statutes, as amended, the Ordinance, the Code of Miami-Dade County, Florida, as amended, and other applicable provisions of law (collectively, the "Act") and pursuant to Section 210 of the Trust Agreement.

Section 2. Definitions. All terms in capitalized form, unless otherwise defined in this Series 2009 Resolution, including the recitals to this Series 2009 Resolution, shall have the same meaning as ascribed to them in the Trust Agreement and the Ordinance. The following terms shall have the meanings set forth below:

A. "AMT Bonds" means bonds the interest on which is excludable from gross income for federal income tax purposes but is an item of tax preference for purposes of the alternative minimum tax under the Code.

B. "Aviation Director" means the Director of the Aviation Department, the acting Director of the Aviation Department, or, in either case, her or his designee.

C. "CIP Projects" means those Improvements to the Port Authority Properties which are attached as Exhibit "A" to this Series 2009 Resolution, which Exhibit "A" may be amended to include any other Improvements or portions of such Improvements which are a part of the 1995 Authorization, the 1996 Authorization, the 1997 Authorization or the 2008 Authorization by a certificate of the County Manager with an opinion of Bond Counsel to the effect that such

amendment will not adversely affect the excludability from gross income for federal income tax purposes of the interest on the Tax-Exempt Bonds and is an Improvement within the 1995 Authorization, the 1996 Authorization, the 1997 Authorization or the 2008 Authorization.

D. "Clerk" means the Clerk of the Board or any Deputy Clerk of the County.

E. "County Manager" means the County Manager of the County.

F. "County Mayor" means the Mayor of the County.

G. "CP Projects" means those projects authorized to be funded with the CP Notes pursuant to the CP Resolution.

H. "CP Resolution" means Resolution No. R-777-00 adopted by the Board on July 25, 2000, as amended and supplemented from time to time, including by Resolution Nos. R-235-05 and R-786-05 adopted by the Board on March 1, 2005 and June 21, 2005, respectively.

I. "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, and its successors and assigns.

J. "Issuing and Paying Agent" means The Bank of New York Mellon, successor in interest to The Chase Manhattan Bank, as the issuing and paying agent under the Issuing and Paying Agency Agreement.

K. "Issuing and Paying Agency Agreement" means that certain Issuing and Paying Agency Agreement dated as of September 1, 2000, as supplemented on August 1, 2005, between the County and the Issuing and Paying Agent, entered into with respect to the CP Notes.

L. "Non-AMT Bonds" means bonds the interest on which is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax under the Code.

M. "Omnibus Certificate" means a certificate of the County executed by the Finance Director, the Aviation Director and a Deputy Clerk, dated the date of original issuance of each Tranche of the Series 2009 Bonds, setting forth among other things, the information and designations required by Section 5 of this Series 2009 Resolution.

N. "Plan of Financing" means the County's plan of financing authorized by, and described in, this Series 2009 Resolution.

O. "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.

P. "Taxable Bonds" means bonds the interest on which is not excludable from gross income for federal income tax purposes.

Q. "Tax-Exempt Bonds" means the Series 2009 Bonds issued as Non-AMT Bonds or AMT Bonds, the interest on which is excludable from gross income for federal income tax purposes but may be an item of tax preferences for purposes of the alternative minimum tax under the Code.

R. "Tranche" means a subseries of the Series 2009 Bonds designated in accordance with Section 4A of this Series 2009 Resolution which may or may not be sold or issued at the same time as other subseries of the Series 2009 Bonds so designated.

Section 3. Findings. The Board finds, determines and declares as follows:

A. A public hearing was held by the Board at the time this Series 2009 Resolution was considered concerning the Plan of Financing and the issuance of the Series 2009 Bonds by the County. The time and location of the public hearing was published in *The Miami Herald*, a newspaper of general circulation in the County, as evidenced by the affidavit of publication on file at the Clerk's Office as Exhibit "B" to this Series 2009 Resolution. At the hearing, comments and discussion were requested concerning the Plan of Financing and the issuance of the Series 2009 Bonds. A reasonable opportunity to be heard was afforded to all persons present at the hearing. By adoption of this Series 2009 Resolution, the Board approves, within the meaning of Section 147(f) of the Code, the Plan of Financing and the issuance of the Series 2009 Bonds.

B. The County is authorized under the Act and the Trust Agreement to issue the Series 2009 Bonds for the valid public purposes of: (a) refinancing all or a portion of the CP Notes; (b) financing or reimbursing the County for all or a portion of the cost of the CIP Projects; (c) making a deposit to the Reserve Account, including the deposit of a Reserve Facility or Facilities, if any; (d) paying certain costs of issuance, including the premiums for any Credit Facility and/or Reserve Facility, if any, relating to the Series 2009 Bonds, if deemed advisable; and (e) paying capitalized interest, if any, on all or a portion of the Series 2009 Bonds allocable to the CP Projects and the CIP Projects.

C. It is necessary, desirable and in the best interest of the County that all or a portion of the CP Notes outstanding at the time or times the Series 2009 Bonds are issued, if any, be refinanced with the Series 2009 Bonds as contemplated in this Series 2009 Resolution. It is also necessary, desirable and in the best interest of the County that the CIP Projects be acquired,

constructed and financed as contemplated in this Series 2009 Resolution. The CP Projects and the CIP Projects are "Projects" within the meaning of the Trust Agreement.

D. The Financial Advisor has recommended to the County that the Series 2009 Bonds be issued through a negotiated sale, given the current volatility in the municipal bond market and the significant contraction of available credit from banks and other institutional lenders and investors, to allow time for the investment community to comprehend a number of relevant items, including: (i) the financial volatility of the airline industry and the impact of geopolitical events such as September 11, (ii) the size and complexity of the Miami International Airport's capital improvement program, (iii) the Report of the Traffic Engineers, which forecasts passenger and revenue growth trends, and (iv) the Aviation Department's ability to generate sufficient revenues to operate effectively and service its outstanding debt. Based upon the recommendation of the Financial Advisor, the County Manager has determined that the negotiated sale of the Series 2009 Bonds in one or more Tranches to the Underwriters is in the best interest of the County and has recommended to the Board that the County sell the Series 2009 Bonds in one or more Tranches by negotiated sale. The Board accepts the recommendation of the County Manager.

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 2009 Bonds in one or more Tranches at a negotiated sale but only upon the terms and conditions and subject to the limitations of this Series 2009 Resolution, which terms shall be finalized by the Finance Director after consultation with the Aviation Director and the Financial Advisor and set forth in the Bond Purchase Agreement and the Omnibus Certificate for such Tranche in accordance with Section 5 of this Series 2009 Resolution.

F. The authority granted to the Finance Director with regard to the issuance of the Series 2009 Bonds as provided in this Series 2009 Resolution is necessary to the proper and efficient implementation of the provisions of this Series 2009 Resolution in order to achieve the maximum flexibility in the marketplace.

G. The recitals contained in the "WHEREAS" clauses are incorporated in this Series 2009 Resolution as findings and the attached County Manager's Memorandum is approved and incorporated in this Series 2009 Resolution.

Section 4. Authorization of Series 2009 Bonds; Conditional Notice of Redemption.

A. Subject and pursuant to the provisions of this Series 2009 Resolution, the Ordinance, the Trust Agreement and the County Manager's Memorandum and for the purposes of (a) refinancing all or a portion of the outstanding CP Notes, if any; (b) financing or reimbursing the County for all or a portion of the cost of the CIP Projects; (c) making a deposit to the Reserve Account, including the deposit of a Reserve Facility or Facilities, if any; (d) paying certain costs of issuance, including the premiums for any Credit Facility and/or Reserve Facility, if deemed advisable; and (e) paying capitalized interest, if any, on all or a portion of the Series 2009 Bonds, the Board authorizes the issuance of the Series 2009 Bonds to be designated as "Miami-Dade County, Florida Aviation Revenue Bonds, Series 2009__", in one or more Tranches, with such Tranche designations as shall be determined by the Finance Director after consultation with Bond Counsel. Notwithstanding anything in this Series 2009 Resolution to the contrary, the Series 2009 Bonds shall not be issued and delivered until the conditions specified in Section 210 of the Trust Agreement, as applicable, have been satisfied.

B. The aggregate principal amount of the Series 2009 Bonds shall not exceed $600,000,000, with the exact principal amount of the Series 2009 Bonds to be determined by the Finance Director after consultation with the Aviation Director, the Financial Advisor and Bond Counsel. The CP Projects and the CIP Projects represent a portion of the projects authorized to be financed pursuant to the 1995 Authorization, the 1996 Authorization, the 1997 Authorization and the 2008 Authorization.

C. The principal of, interest on and redemption premium, if any, with respect to the Series 2009 Bonds and all other payments required pursuant to the terms of the Trust Agreement will be payable solely from and secured by a first lien upon and a pledge of the Net Revenues to the extent and in the manner provided in the Trust Agreement, such Net Revenues to be obtained from sources authorized by law, and such payments will not constitute a general obligation indebtedness of the County, the State or any political subdivision of the State within the meaning of any constitutional, statutory or charter provision or limitation, nor a lien upon any property of the County, the State or any political subdivision of the State, and the registered owner of any Series 2009 Bond issued under the provisions of the Trust Agreement shall not have the right to require or compel the exercise of the taxing power of the County, the State or any political subdivision of the State for the payment of the Series 2009 Bonds.

D. If the Series 2009 Bonds or any portion thereof are to be optionally redeemed pursuant to the terms authorized herein, the County may provide a conditional notice of redemption thereof in accordance with the terms set forth below, and the Finance Director is hereby authorized, in her discretion, to add to the form of Series 2009 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 an amount equal to the amount necessary to effect the redemption, with the Trustee 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 Trustee directing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected Bondholders. Any Series 2009 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 Trustee shall give immediate notice to the securities information repositories and the affected Bondholders that the redemption did not occur and that the Series 2009 Bonds called for redemption and not so paid remain Outstanding.

Section 5. Terms of Series 2009 Bonds; Authorization of Bond Purchase Agreement.

A. The Finance Director is authorized, after consultation with the Aviation Director and the Financial Advisor, to approve the terms of each Tranche of the Series 2009 Bonds, such approval to be evidenced by the terms and provisions set forth in the Omnibus Certificate for such Tranche, including, without limitation, the aggregate principal amount of the Series 2009 Bonds, whether the Series 2009 Bonds shall be issued as AMT Bonds, Non-AMT Bonds and/or Taxable Bonds, the number of Tranches of Series 2009 Bonds to be issued and the Tranche designations, the dated date of the Series 2009 Bonds, the first interest payment date, the interest rate or rates, the purchase price, the optional and mandatory redemption terms of the Series 2009 Bonds, whether the Series 2009 Bonds shall be serial bonds, term bonds, capital appreciation bonds, capital appreciation and income bonds, or any combination of bonds, the maturity dates of the Series 2009 Bonds, the maturity amounts as to serial bonds and amortization requirements as to term bonds, provided, however, that in no event shall: (i) the aggregate principal amount of the Series 2009

Bonds exceed $600,000,000; (ii) any Tranche or Tranches of the Series 2009 Bonds sold to the Underwriters at one time be sold to the Underwriters at a purchase price less than 96.0% of the original aggregate principal amount of such Tranche or Tranches of Series 2009 Bonds (excluding original issue discount and original issue premium) (the "Minimum Purchase Price"); (iii) the true interest cost rate (the "TIC") of any Tranche or Tranches of Series 2009 Bonds sold to the Underwriters at one time exceed 8.0% (the "Maximum TIC"); or (iv) the final maturity of the Series 2009 Bonds exceed 40 years from the dated date of the Series 2009 Bonds.

The Finance Director after consultation with the Aviation Director is authorized to execute and deliver to the Underwriters the Bond Purchase Agreement, its terms consistent with the terms of the Omnibus Certificate, 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 2009 Bonds. The Bond Purchase Agreement shall be in substantially the form of the Bond Purchase Agreement on file at the Clerk's Office as Exhibit "C" with such changes, insertions and omissions as the Finance Director shall deem necessary and approve in accordance with the terms of this Series 2009 Resolution, upon consultation with the Aviation Director, the Financial Advisor, the County Attorney and Bond Counsel, and 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 changes, insertions or omissions.

B. The Series 2009 Bonds shall be executed in the form and manner provided in the Trust Agreement, and shall be delivered to the Trustee under the Trust Agreement for authentication and delivery to the purchasers of the Series 2009 Bonds in accordance with the provisions of Section 210 of the Trust Agreement. The Series 2009 Bonds are authorized to be

issued initially as fully registered bonds in book-entry form and registered in the name of DTC or its nominee, which will act as securities depository for the Series 2009 Bonds. The Finance Director is authorized and directed to take all actions and execute all documents as are incidental to such book-entry system. The provisions for selecting Series 2009 Bonds for redemption may be altered in order to conform to the requirements of DTC. In the event such book-entry system for the Series 2009 Bonds ceases to be in effect, the Series 2009 Bonds shall be issued in fully registered form without coupons, registered in the names of the owners of the Series 2009 Bonds, and shall be in the denomination of $5,000 or any integral multiple of $5,000.

C. Interest payments with respect to the Series 2009 Bonds to be made other than on the maturity date or redemption date may be paid by check or draft mailed to the registered owner of Series 2009 Bonds at its address as it appears on the registration books of the Trustee on the Regular Record Date therefor; however, any Series 2009 Bondholder owning Series 2009 Bonds in the principal amount of $1,000,000 or more may elect by written request to the Trustee delivered prior to the applicable record date with respect to interest, or the date of presentation with respect to principal or redemption price, to have the interest, principal or redemption price paid by wire transfer to a bank within the continental United States for deposit to an account designated by such Series 2009 Bondholder, at the expense of such Series 2009 Bondholder.

Section 6. Application of Proceeds.

Proceeds from the sale of the Series 2009 Bonds shall be applied as follows: (i) to the extent set forth in the Omnibus Certificate, a portion of the proceeds shall be deposited with the Trustee to the credit of the Reserve Account in the Sinking Fund; and (ii) the balance of the proceeds of the Series 2009 Bonds shall be deposited with the Co-Trustee to the credit of a

separate special account appropriately designated and created for the Series 2009 Bonds, as contemplated in the Trust Agreement, to be applied, as applicable, (a) to pay certain costs of issuance of the Series 2009 Bonds, (b) to fund the repayment and retirement of the CP Notes, if any, (c) to pay or reimburse the County for all or part of the cost of the CIP Projects and (d) to fund capitalized interest, if any, on all or a portion of the Series 2009 Bonds in accordance with the Trust Agreement, all as set forth in the Omnibus Certificate. The Co-Trustee is hereby authorized and directed, without further authorization or direction from the County, to apply the amounts described in clause (ii)(b) above, if any, to the payment of principal of and interest on the CP Notes, if any, as they mature, by transferring to the Issuing and Paying Agent, for deposit in the applicable accounts established under the Issuing and Paying Agent Agreement on the maturity date of each outstanding CP Note an amount necessary to pay such CP Note in full, until the moneys described in clause (ii)(b) and allocated for such purpose have been exhausted. Notwithstanding anything to the contrary, the proceeds of the Series 2009 Bonds shall be deposited and applied solely for the purposes for which the Series 2009 Bonds are being issued.

Section 7. Approval of Credit Facility and Reserve Facility. If the Finance Director demonstrates, after consultation with the Aviation 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 Facility, the Finance Director is authorized to secure a Credit Facility and/or Reserve Facility with respect to the Series 2009 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 Facility with such terms, covenants, provisions and agreements, including, without limitation, the granting to a bond insurer of the power to exercise certain rights and

privileges of the holders of the Series 2009 Bonds insured by such bond insurer under the Trust Agreement, 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.

Section 8. Approval of the Preliminary Official Statement and Final Official Statement. The Preliminary Official Statement in connection with the issuance of each Tranche of the Series 2009 Bonds substantially in the form of the Preliminary Official Statement attached as Exhibit "D" to this Series 2009 Resolution, and its distribution, with such changes, modifications, insertions and omissions as may be determined by the Finance Director, with the approval of the County Attorney, Bond Counsel and Disclosure Counsel and after consultation with the Aviation Director and the Financial Advisor, is approved. The Finance Director after consultation with Disclosure Counsel is authorized to deem the Preliminary Official Statement "final" for the purposes of the Rule. The Finance Director is authorized and directed to deliver the final Official Statement (the "Official Statement") in connection with the offering and sale of the Series 2009 Bonds in the name and on behalf of the County. The final Official Statement shall be substantially in the form of the Preliminary Official Statement, with such changes, modifications, insertions and omissions as may be determined by the Finance Director, with the approval of the County Attorney, Bond Counsel and Disclosure Counsel and after consultation with the Aviation Director and the Financial Advisor, with the delivery of the Official Statement by the Finance Director, on behalf of the County, being conclusive evidence of the Board's approval of any such changes, modifications, insertions and omissions and authorization of its use and distribution. The Finance Director and the Aviation Director, after consultation with Bond Counsel, Disclosure Counsel and the County Attorney, are

authorized to make any necessary certifications to the Underwriters regarding a near final or deemed final Official Statement, if and to the extent required by the Rule. The use and distribution by the Underwriters of the Preliminary Official Statement and Official Statement in connection with the offering and sale of the Series 2009 Bonds is authorized. If the Series 2009 Bonds are offered in two or more Tranches to be sold at different times, the Preliminary Official Statement and the Official Statement for each Tranche offered after the initial offering shall be in substantially the form utilized for the initial offering with such changes, insertions and deletions as may be necessary or desirable and approved by the Finance Director, after consultation as described above, and provided further that the Finance Director may approve the use of Preliminary Official Statements and Final Official Statements that include as an exhibit thereto the Official Statement for a prior offering if the Finance Director determines that such an approach results in the most efficient offering and sale of multiple Tranches consistent with good disclosure practices.

Section 9. Tax Covenants. The County covenants for the benefit and security of the holders of the Tax-Exempt Bonds not to take any action that will cause any of the Tax-Exempt Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code and to comply with the applicable requirements of Sections 103, 141, 142, 147, 149 and 150 of the Code and any other requirements that, in the opinion of Bond Counsel, are necessary for interest on the Tax-Exempt Bonds to be and to remain excludable from gross income for federal income tax purposes (other than interest on any Series 2009 Bonds issued as AMT Bonds and held by a person who is deemed a "substantial user" of the Project or a "related person" within the meaning of Section 147(a) of the Code) or to prevent the interest on any Series 2009 Bonds issued as Non-AMT Bonds from becoming an item of tax preference for purposes of the federal alternative minimum tax throughout the term of

the Tax-Exempt Bonds. Specifically, without intending to limit in any way the generality of the foregoing, the County covenants and agrees:

(1) to pay to the United States of America from legally available funds of the Aviation Department, at the times required pursuant to Section 148(f) of the Code, the excess of the amount earned on all nonpurpose investments (as defined in Section 148(f)(6) of the Code) over the amount which would have been earned if such nonpurpose investments were invested at a rate equal to the yield on the Tax-Exempt Bonds, plus any income attributable to such excess (the "Rebate Amount"); and

(2) to be responsible for making or causing to be made all determinations and calculations of the Rebate Amount and required payments of the Rebate Amount as shall be necessary to comply with the Code and to maintain and retain all records pertaining to the Rebate Amount and required payments of the Rebate Amount for at least six years after the final payment of the Tax-Exempt Bonds or such other period as shall be necessary to comply with the Code.

Notwithstanding anything in this Series 2009 Resolution to the contrary, the requirement of the County set forth in paragraph (1) above shall survive the payment or provision for payment of the principal, interest and redemption premium, if any, with respect to the Tax-Exempt Bonds or any portion of the Tax-Exempt Bonds.

In furtherance of the foregoing covenant, the County agrees that it will comply with the provisions of one or more tax compliance certificates to be prepared by Bond Counsel and executed and delivered on the date of issuance of each Tranche of Tax-Exempt Bonds. The Finance Director

and the Aviation Director are authorized to execute and deliver such tax compliance certificate for and on behalf of the County.

Section 10. Continuing Disclosure Commitment.

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 beneficial owners of the Series 2009 Bonds (the "Beneficial Owners") 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 ended September 30, 2009:

(1) Revenues and Net Revenues of the Aviation Department and operating information for the prior Fiscal Year of the type and in a form which is generally consistent with the presentation of such information in the Official Statement for the Series 2009 Bonds, and such additional operating information as may be determined by the Aviation Department; and

(2) The audited general purpose financial statements of the Aviation Department utilizing generally accepted accounting principles applicable to local governments.

The information in paragraphs (1) and (2) above will be available on or before June 1 of each year for the preceding Fiscal Year, commencing June 1, 2010, and will be made available, in addition to each NRMSIR and SID, to the Trustee and to each Beneficial Owner of the Series 2009 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 Aviation 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 Aviation Department; if not available within eight (8) months after the end of the Fiscal Year, unaudited information will be provided in accordance with the time frame set forth above and audited financial statements will be provided as soon after such time as they become available.

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 the occurrence of any of the following events with respect to the Series 2009 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 2009 Bonds;

(7) modifications to rights of Beneficial Owners or holders of the Series 2009 Bonds;

(8) Bond calls;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the Series 2009 Bonds (the Series 2009 Bonds are secured solely by the Net 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 2009 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 2009 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 2009 Bonds and shall be enforceable by the Trustee on behalf of such Beneficial Owners, in the manner provided in Section 808 of the Trust Agreement, if the County fails to cure a breach within a reasonable time after receipt of written notice from a Beneficial Owner that a breach exists; provided that any such Beneficial Owner's right to obtain specific performance of the County's obligations under this Section in a federal or state court and any failure by the County to comply with the provisions of this undertaking shall not be a default with respect to the Series 2009 Bonds.

F. Notwithstanding the foregoing, each NRMSIR to which information shall be provided shall include each NRMSIR approved by the Securities and Exchange Commission prior

to the issuance of the Series 2009 Bonds. In the event that the Securities and Exchange Commission approves any additional NRMSIRs after the date of issuance of the Series 2009 Bonds, the County shall, if the County is notified of such additional NRMSIRs, provide such information to the additional NRMSIRs. Failure to provide information to any new NRMSIR whose status as a NRMSIR is unknown to the County shall not constitute a breach of this covenant.

G. The requirements of subsection (A) above do not necessitate the preparation of any separate annual report addressing only the Series 2009 Bonds. The requirements of subsection (A) may be met by the filing of a general annual information statement or audited general purpose financial statements of the Aviation Department 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 the SID or included in any official statement of the County, provided such official statement is filed with the MSRB.

H. 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.

The County agreements 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 Aviation Department 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 2009 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 at the date of the adoption of this Series 2009 Resolution, ceases to be in effect for any reason, and the County elects that the Covenants shall be deemed amended accordingly.

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 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. Any change in Obligated Persons (as defined below) shall be reported by the County in connection with its Annual Information. If any person, other than the County, becomes an Obligated Person relating to the Series 2009 Bonds, the County shall use its reasonable best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person; provided, however, that the County takes, and shall take, no responsibility

for the accuracy or completeness of any financial information or operating data or other materials submitted by any future Obligated Person.

For purposes of this subsection (I), "Obligated Person" means, with respect to the Series 2009 Bonds, the County and any airline or other entity using the Port Authority Properties pursuant to a lease or use agreement, which lease or use agreement has a non-cancelable (by either party) term of one year or more from the date in question, and which includes bond debt service as part of the calculation of rates and charges, under which lease or use agreement such airline or entity has paid amounts equal to at least 20% of the Revenues for the prior two fiscal years of the County.

J. Any filing to be made with each NRMSIR or SID under this Section 10 may be made by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at http://www.disclosureusa.org, unless the United States Securities Exchange Commission has withdrawn the interpretative advice in its letters to the MAC dated September 7, 2004 and October 3, 2007.

Section 11. Authorizations.

A. The County Mayor and the Clerk are authorized and directed, individually or in combination, to execute the Series 2009 Bonds manually or by their respective facsimile signatures as provided in the Trust Agreement, and such officers are authorized to cause the delivery of the Series 2009 Bonds in the amounts authorized to be issued, to the Trustee for authentication and delivery to or upon the order of the Underwriters pursuant to the Bond Purchase Agreement, upon compliance by the Underwriters with the terms of the Bond Purchase Agreement

and satisfaction of the conditions precedent to the delivery of the Series 2009 Bonds provided in the Trust Agreement.

B. The Trustee is authorized and directed, upon receipt of instructions from the Finance Director, to execute the Trustee's Certificate of Authentication on each of the Series 2009 Bonds and to deliver such bonds to or upon the order of the Underwriters named in the Bond Purchase Agreement, upon payment of the purchase price for the Series 2009 Bonds and upon compliance with the other requirements for delivery of bonds set forth in the Trust Agreement and pertaining to the Series 2009 Bonds.

C. The Finance Director is authorized to approve the investment of proceeds of the Series 2009 Bonds held under the provisions of the Trust Agreement and to instruct the Trustee and the Co-Trustee from time to time concerning those investments, all in accordance with the Trust Agreement.

Section 12. Further Action. The County Mayor, the Clerk, the County Manager, the Finance Director, the County Attorney, the Aviation Director and the County's other officials and officers, as well as its attorneys, consultants and engineers, are authorized and directed to do all acts and things and to execute and deliver any and all agreements, documents and certificates which they deem necessary or advisable in order to consummate the issuance of the Series 2009 Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Series 2009 Resolution, the Series 2009 Bonds and the related documents. In the event that the County Mayor, the Clerk, the County Manager, the Finance Director, the County Attorney, the Aviation Director or other officer or official of the County is unable to execute and deliver the documents contemplated by

this Series 2009 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 13. Severability of Invalid Provisions. In case any one or more of the provisions of this Series 2009 Resolution or any approved document shall for any reason be held to be illegal or invalid, then such provision shall be null and void; provided, however, that any such illegality or invalidity shall not affect any other provisions of this Series 2009 Resolution or such document, as the case may be, and such other provisions shall be construed and enforced as if such illegal or invalid provisions had not been contained. All or any part of resolutions or proceedings in conflict with the provisions of this Series 2009 Resolution are to the extent of such conflict repealed or amended to the extent of such inconsistency.

Section 14. Governing Law. The Series 2009 Bonds are to be issued and this Series 2009 Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction.

Section 15. No Recourse Against County's Officers. No covenant, agreement or obligation contained in this Series 2009 Resolution shall be deemed to be a covenant, agreement or obligation of any present or future official, officer, employee or agent of the County in the individual capacity of such person, and no official, officer, employee or agent of the County executing the Series 2009 Bonds shall be liable personally on the Series 2009 Bonds or be subject to any personal liability or accountability by reason of the issuance of the Series 2009 Bonds. No official, officer, employee, agent or advisor of the County shall incur any personal liability with respect to any other action taken by such person pursuant to this Series 2009 Resolution, provided the official, officer, employee, agent or advisor acts in good faith, but this Section shall not relieve any official, officer, employee, agent or

advisor of the County from the performance of any official duty provided by law or this Series 2009 Resolution.

Section 16. Waivers. The provisions of Resolution 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 are hereby waived at the request of the County Manager for the reasons set forth in the County Manager's Memorandum.

[Remainder of Page Intentionally Left Blank]

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:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 22nd day of January, 2009. 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

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

EXHIBIT "A"

CIP PROJECTS

The CIP Projects consist of those Improvements to Port Authority Properties comprising a portion of the Aviation Department's capital improvement program and which are a part of the 1995 Authorization, the 1996 Authorization, the 1997 Authorization or the 2008 Authorization. Such CIP Projects include, but are not limited to:

1. Airside: Runway pavement reconstruction.

2. Terminal and Concourse Improvements:

   North Terminal – Reconfigure the terminal and concourses between Concourses A and D to create a 47-gate linear facility to support the international gateway operations of American Airlines and its partners. Includes utility infrastructure expansion.

   South Terminal – Renovation of existing terminal space in and adjacent to Concourse H.

   Other Terminal Projects – Life safety and building code upgrades, major repairs, and loading bridges in the Central Terminal.

3. Landside:

   Roadways & Parking – Improvements to the Perimeter Road and an upgrade of the Airport's short term parking facilities.

   MIA Mover – Construction of an elevated automated people mover system connecting the Terminal Building to remote ground transportation facilities at an inter-modal hub to be built by FDOT.

4. Support Programs: Replacement or upgrade of security and business systems.

5. Cargo and Aircraft Maintenance: Upgrading and expansion of cargo processing and aircraft maintenance facilities.

6. General Aviation Airports: Airfield, security and support facility improvements.

EXHIBIT "B"

AFFIDAVIT OF PUBLICATION

(on file with the Clerk's Office)

EXHIBIT "C"

BOND PURCHASE AGREEMENT

(on file with the Clerk's Office)

EXHIBIT "D"

EAPD LAW
DRAFT 11/13/08

PRELIMINARY OFFICIAL STATEMENT _____ 2009

NEW ISSUES – BOOK-ENTRY ONLY **RATINGS: See "RATINGS" herein**

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, (a) interest on the Series 2009 Bonds will be excludable from gross income for federal income tax purposes, except interest on a Series 2009A Bond for any period during which that Bond is held by a "substantial user" or a "related person" as those terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended, (b) interest on the Series 2009A Bonds will be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (c) interest on the Series 2009B Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (d) the Series 2009 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except estate taxes under Chapter 198, Florida Statutes, as amended, and net income and franchise taxes under Chapter 220, Florida Statutes, as amended. For a more complete discussion of the tax aspects, see "TAX MATTERS."

$_____
Aviation Revenue Bonds,
Series 2009A
(AMT)

$_____
Aviation Revenue Bonds,
Series 2009B
(Non-AMT)

$600,000,000*
MIAMI-DADE COUNTY, FLORIDA
Miami International Airport
(Hub of the Americas℠)

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

Miami-Dade County, Florida (the "County") is issuing its $_____ Aviation Revenue Bonds, Series 2009A (AMT) (the "Series 2009A Bonds") and $_____ Aviation Revenue Bonds, Series 2009B (Non-AMT) (the "Series 2009B Bonds" and, together with the Series 2009A Bonds, the "Series 2009 Bonds"). The Series 2009 Bonds are being issued as fully registered bonds, initially registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2009 Bonds. So long as the Series 2009 Bonds are in book-entry form, purchases of beneficial interests in the Series 2009 Bonds will be made in book-entry only form, without certificates, in denominations of $5,000 or integral multiples of $5,000. The Series 2009 Bonds may be sold and/or issued from time to time in multiple tranches or sub-series depending on prevailing market conditions. *See* "AUTHORIZATION FOR THE SERIES 2009 BONDS."

Interest on the Series 2009 Bonds will accrue from their initial date of delivery and will be payable on April 1 and October 1 of each year, commencing October 1, 2009.

Principal of and interest on the Series 2009 Bonds will be payable at the corporate trust offices of The Bank of New York Mellon (successor in interest to JPMorgan Chase Bank, N.A.), as trustee (the "Trustee"), in New York, New York. So long as DTC or its nominee is the registered owner of the Series 2009 Bonds, payments of the principal of and interest on the Series 2009 Bonds will be paid directly to DTC or its nominee, and disbursements of such payments to beneficial owners will be the responsibility of DTC and its participants. *See* "THE

* Preliminary, subject to change.

SERIES 2009 BONDS – Book-Entry Only System." The Series 2009 Bonds will be subject to optional and mandatory redemption prior to maturity at the prices, in the manner and at such times as set forth in this Official Statement. *See* "THE SERIES 2009 BONDS – Redemption."

The Series 2009 Bonds are being issued as part of a continuing program under which the County provides long-term financing for projects comprising portions of the capital improvement program (the "CIP") of the Miami-Dade County Aviation Department (the "Aviation Department") as described in this Official Statement, portions of which program were initially financed on a short-term basis, by commercial paper notes. *See* "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM" and "FUNDING SOURCES FOR THE CIP." The Series 2009 Bonds are being issued for the purposes of (a) refinancing all or a portion of the County's outstanding Aviation Commercial Paper Notes, Series A (AMT) and Aviation Commercial Paper Notes, Series B (NON-AMT) (such notes to be refinanced, the "CP Notes"), if any; (b) financing or reimbursing the County for all or a portion of the cost of the Improvements to the Port Authority Properties, more particularly described in the Series 2009 Resolution, which are part of the CIP (the "Projects") (*see* "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM"); (c) making a deposit to the Reserve Account, including the deposit of a Reserve Facility or Facilities, if any; (d) paying certain costs of issuance, including the premiums for any Credit Facility and/or Reserve Facility; and (e) paying capitalized interest, if any, on all or a portion of the Series 2009 Bonds.

THE SERIES 2009 BONDS WILL BE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM A PLEDGE OF NET REVENUES (AS DEFINED IN THIS OFFICIAL STATEMENT) DERIVED FROM THE PORT AUTHORITY PROPERTIES, INCLUDING THE OPERATION OF THE MIAMI INTERNATIONAL AIRPORT, AS DESCRIBED IN THIS OFFICIAL STATEMENT, AND CERTAIN OTHER MONEYS. THE SERIES 2009 BONDS WILL BE SECURED ON A PARITY BASIS WITH THE COUNTY'S BONDS OUTSTANDING UNDER THE TRUST AGREEMENT DESCRIBED IN THIS OFFICIAL STATEMENT. NEITHER THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR THE COUNTY NOR THE FAITH AND CREDIT OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2009 BONDS. THE ISSUANCE OF THE SERIES 2009 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF FLORIDA OR THE COUNTY OR ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY TO LEVY ANY TAXES FOR THE SERIES 2009 BONDS OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT EXCEPT FROM THE NET REVENUES AND CERTAIN OTHER MONEYS PLEDGED TO THE PAYMENT OF THE SERIES 2009 BONDS UNDER THE TRUST AGREEMENT.

[INFORMATION RELATED TO BOND INSURANCE, IF APPLICABLE.]

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

This cover page contains information for quick reference only. It is *not* a summary of the Series 2009 Bonds. Investors must read the entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision, paying particular attention to the matters discussed under "CERTAIN INVESTMENT CONSIDERATIONS."

The Series 2009 Bonds are offered when, as and if issued by the County and accepted by the Underwriters, subject to the delivery of an opinion as to legality by Greenberg Traurig, P.A., Miami, Florida, and Edwards & Associates, P.A., Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain other legal matters relating to disclosure will be passed upon for the County by Edwards Angell Palmer & Dodge LLP, West Palm Beach, Florida, and Rasco, Reininger, Perez, Esquenazi & Vigil, P.L., Coral Gables, Florida, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, GrayRobinson, P.A., Miami, Florida, Underwriters' Counsel. The Financial Advisors to the Aviation Department are First Southwest Company, Aventura, Florida, and Frasca & Associates, L.L.C., New York, New York. It is expected that the Series 2009 Bonds will be available for delivery through DTC in New York, New York on or about February __, 2009.

Barclays Capital

M.R. Beal & Company		**Rice Financial Products Company**
Raymond James & Associates, Inc.		**Wachovia Bank, National Association**
Butler Wick & Co., Inc.	**Citi**	**Estrada Hinojosa & Company, Inc.**
Goldman, Sachs & Co.	**Jackson Securities**	**JPMorgan**
Loop Capital Markets, LLC	**Morgan Keegan & Company, Inc.**	**Siebert Brandford Shank & Co., LLC**

Dated: February __, 2009

MATURITIES, PRINCIPAL AMOUNTS, CUSIP NUMBERS[1], INTEREST RATES, AND PRICES OR YIELDS OF THE SERIES 2009 BONDS

$_____*
MIAMI DADE COUNTY, FLORIDA
AVIATION REVENUE BONDS, SERIES 2009A (AMT)

Maturity (October 1)	Principal Amount	[Bond Insurer]	Initial CUSIP No.[1]	Interest Rate	Price or Yield

$_____ _____% Term Bonds due October 1, ____, Yield _____%, Initial CUSIP No.[1] _____
$_____ _____% Term Bonds due October 1, ____, Yield _____%, Initial CUSIP No.[1] _____
$_____ _____% Term Bonds due October 1, ____, Yield _____%, Initial CUSIP No.[1] _____
$_____ _____% Term Bonds due October 1, ____, Price _____*, Initial CUSIP No.[1] _____

$_____*
MIAMI DADE COUNTY, FLORIDA
AVIATION REVENUE BONDS, SERIES 2009B (NON-AMT)

Maturity (October 1)	Principal Amount	[Bond Insurer]	Initial CUSIP No.[1]	Interest Rate	Price or Yield

[1] The County is not responsible for the use of 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.

RED HERRING LANGUAGE:

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there by any sale of the Series 2009 Bonds in any jurisdiction in which such officer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The County has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

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

COUNTY CLERK
Harvey Ruvin

COUNTY MANAGER
George M. Burgess

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

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

AVIATION DEPARTMENT
José Abreu, P.E.
Aviation Director

Max Fajardo, E.I.
Deputy Aviation Director

Miguel A. Southwell
Deputy Aviation Director

Anne Syrcle Lee
Chief Financial Officer

Robin D. Pearsall
Capital Finance Manager

BOND COUNSEL

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Miami, Florida

Edwards & Associates, P.A.
Miami, Florida

DISCLOSURE COUNSEL

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West Palm Beach, Florida

Rasco, Reininger, Perez, Esquenazi & Vigil, P.L.
Coral Gables, Florida

FINANCIAL ADVISORS
First Southwest Company
Aventura, Florida

Frasca & Associates, L.L.C.
New York, New York

CONSULTING ENGINEERS
HNTB Corporation
Miami, Florida

TRAFFIC ENGINEERS
Jacobs Consultancy, Inc.
Burlingame, California

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
KPMG LLP
Fort Lauderdale, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COUNTY, THE AVIATION DEPARTMENT OR THE UNDERWRITERS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN AS SET FORTH IN THIS OFFICIAL STATEMENT AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COUNTY, THE AVIATION 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 2009 BONDS BY A PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER, SOLICITATION OR SALE. THIS OFFICIAL STATEMENT IS NOT TO BE CONSTRUED AS A CONTRACT WITH THE PURCHASERS OF THE SERIES 2009 BONDS.

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 A PART OF, THEIR 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.*

THE SERIES 2009 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAVE THE TRUST AGREEMENT, THE SERIES 2009 RESOLUTION OR THE AUTHORIZATIONS DESCRIBED IN THIS OFFICIAL STATEMENT 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 UPON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2009 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 2009 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER OR YIELDS HIGHER THAN THE PUBLIC OFFERING PRICES OR YIELDS REFLECTED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES OR YIELDS MAY BE CHANGED FROM TIME TO TIME, AFTER THE INITIAL OFFERING TO THE PUBLIC, BY THE UNDERWRITERS.

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 OF REFERENCE 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 2009 BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: _____. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. SUCH FORWARD-LOOKING STATEMENTS INCLUDE, BUT ARE NOT LIMITED TO, CERTAIN STATEMENTS CONTAINED IN THE INFORMATION UNDER THE CAPTIONS "ESTIMATED SOURCES AND USES OF FUNDS," "CERTAIN INVESTMENT CONSIDERATIONS," "AVIATION DEPARTMENT FINANCIAL INFORMATION – MANAGEMENT'S DISCUSSION OF FINANCIAL INFORMATION," AND "APPENDIX A - REPORT OF THE TRAFFIC ENGINEERS" IN THIS OFFICIAL STATEMENT. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. AMONG THE FACTORS THAT MAY CAUSE PROJECTED REVENUES AND EXPENDITURES TO BE MATERIALLY DIFFERENT FROM THOSE ANTICIPATED ARE AN INABILITY TO INCUR DEBT AT ASSUMED RATES, CONSTRUCTION DELAYS, INCREASES IN CONSTRUCTION COSTS, GENERAL ECONOMIC DOWNTURNS, FACTORS AFFECTING THE AIRLINE INDUSTRY IN GENERAL, FEDERAL LEGISLATION AND/OR REGULATIONS, AND REGULATORY AND OTHER RESTRICTIONS, INCLUDING, BUT NOT LIMITED TO, THOSE THAT MAY AFFECT THE ABILITY TO UNDERTAKE, THE TIMING OR THE COSTS OF CERTAIN PROJECTS. ANY FORECAST IS SUBJECT TO SUCH UNCERTAINTIES. THEREFORE, THERE ARE LIKELY TO BE DIFFERENCES BETWEEN FORECASTS AND ACTUAL RESULTS, AND THOSE DIFFERENCES MAY BE MATERIAL. OTHER THAN THE CUSTOMARY FINANCIAL REPORTING ACTIVITIES OF THE COUNTY AND THE AVIATION DEPARTMENT OR REPORTING ACTIVITIES NECESSARY TO COMPLY WITH LEGAL OR CONTRACTUAL REQUIREMENTS, NEITHER THE COUNTY NOR THE AVIATION DEPARTMENT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO SUCH FORWARD-LOOKING STATEMENTS IF OR WHEN (i) THE EXPECTATIONS OF THE COUNTY OR THE AVIATION DEPARTMENT CHANGE, OR (ii) THE EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH FORWARD-LOOKING STATEMENTS ARE BASED ACTUALLY OCCUR OR FAIL TO OCCUR.

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OFFICIAL STATEMENT

relating to

$600,000,000*
MIAMI-DADE COUNTY, FLORIDA
Miami International Airport
(Hub of the Americas[SM])

$_____	$_____
Aviation Revenue Bonds, Series 2009A (AMT)	**Aviation Revenue Bonds, Series 2009B (Non-AMT)**

INTRODUCTORY STATEMENT

This Official Statement of Miami-Dade County, Florida (the "County"), which includes the cover page, the inside cover page and the Appendices, furnishes information in regard to the Port Authority Properties ("Port Authority Properties") and other assets owned by the County and operated by the Miami-Dade County Aviation Department (the "Aviation Department") and other information in connection with the issuance and sale of the County's $_____ Aviation Revenue Bonds, Series 2009A (AMT) (the "Series 2009A Bonds") and $_____ Aviation Revenue Bonds Series 2009B (Non-AMT) (the "Series 2009B Bonds" and, together with the Series 2009A Bonds, the "Series 2009 Bonds").

The Series 2009 Bonds are being issued pursuant to (i) Chapters 125 and 166, Florida Statutes, as amended (collectively, the "Act"), (ii) the Amended and Restated Trust Agreement dated as of December 15, 2002 (the "Trust Agreement") by and among the County, The Bank of New York Mellon (successor in interest to JPMorgan Chase Bank, N.A.), as trustee (the "Trustee"), and U.S. Bank National Association (successor in interest to Wachovia Bank, National Association), as co-trustee (the "Co-Trustee"), and (iii) Resolution No. R-___-09 adopted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on _____, 2009 approving the issuance of the Series 2009 Bonds (the "Series 2009 Resolution"). In addition, the Series 2009 Bonds are being issued pursuant to the authority of certain ordinances previously enacted by the Board. *See* "AUTHORIZATION FOR THE SERIES 2009 BONDS" and "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

The Series 2009 Bonds are being issued as part of a continuing program under which the County provides long-term financing for projects comprising the first phase of the Aviation Department's Capital Improvement Program (the "CIP") described in this Official Statement, which is approved in the amount of $6.23 billion and portions of which were initially financed on a short-term basis by commercial paper notes. See "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM" and "FUNDING SOURCES FOR THE CIP." The Series 2009 Bonds are being issued for the purposes of (a) refinancing all or a portion of the County's outstanding Aviation Commercial Paper Notes, Series A (AMT) and Aviation Commercial Paper Notes, Series B (NON-AMT) (such notes to be refinanced, the "CP Notes"), if any; (b) financing or reimbursing the County for all or a portion of the

* Preliminary, subject to change.

cost of the Improvements to the Port Authority Properties, more particularly described in the Series 2009 Resolution, which are part of the CIP (the "Projects") (see "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM"); (c) making a deposit to the Reserve Account, including the deposit of a Reserve Facility or Facilities, if any; (d) paying certain costs of issuance, including the premiums for any Credit Facility and/or Reserve Facility; and (e) paying capitalized interest, if any, on all or a portion of the Series 2009 Bonds.

The Series 2009 Bonds may be sold and/or issued from time to time in multiple tranches or sub-series depending on prevailing market conditions. *See* "AUTHORIZATION FOR THE SERIES 2009 BONDS."

The Series 2009 Bonds are payable from and are secured by a pledge of Net Revenues (as defined in this Official Statement) of the Port Authority Properties. *See* "SECURITY FOR THE SERIES 2009 BONDS – Pledge of Net Revenues." The major components of the Port Authority Properties are (1) the terminals, grounds, runways and taxiways of (a) the Miami International Airport (the "Airport" or "MIA"), (b) three general aviation airports (Opa-Locka Executive Airport, Homestead General Aviation Airport and Kendall-Tamiami Executive Airport), (c) one flight training airport (Dade-Collier Training and Transition Airport), and (d) one decommissioned airport (Opa-Locka West Airport), and (2) all improvements of, or other projects at, the County's airports designated as Port Authority Properties pursuant to the Trust Agreement.

The Port Authority Properties also include the 259-room hotel at the Airport (the "Hotel") and the related Top-of-the-Port restaurant at the Hotel. For purposes of this Official Statement, references to "Port Authority Properties" shall mean the Port Authority Properties as the same exist unless otherwise indicated. Port Authority Properties do not include any facilities or improvements at the County's airports financed by obligations not issued under the Trust Agreement or not otherwise designated as Port Authority Properties under the Trust Agreement. The entire airport system operated by the County is referred to herein as the "Airport System." *See* "AIRPORT SYSTEM FACILITIES."

Although the Net Revenues of all Port Authority Properties are pledged under the Trust Agreement, the Airport generates the majority of the Net Revenues that secure the Bonds (defined below). Under the Trust Agreement, the proceeds of Passenger Facilities Charges ("PFCs") and Customer Facilities Charges ("CFCs") do not constitute Revenues and currently are not pledged to the payment of any Bonds. The County, however, has previously utilized certain revenues derived from PFCs to make payments on the Bonds and may, in its discretion, elect to do so in the future. *See* "SECURITY FOR THE SERIES 2009 BONDS – Pledge of Net Revenues," " – Rate Covenant," " – Airline Use Agreement" and "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

The Series 2009 Bonds are being issued on a parity with the $4,459,115,000 aggregate principal amount of aviation revenue bonds currently Outstanding as defined in the Trust Agreement as to the pledge of, lien on and source of payment from Net Revenues. Subject to certain conditions, the County may issue Additional Bonds (defined below) under the Trust Agreement on a parity with the Outstanding Bonds and the Series 2009 Bonds. *See* "SECURITY FOR THE SERIES 2009 BONDS – Issuance of Additional Bonds" and " – Issuance of Refunding Bonds." The Series 2009 Bonds, the Outstanding Bonds and any Additional Bonds hereafter issued on a parity with such bonds are collectively referred to in this Official Statement as the "Bonds." *See* "AVIATION RELATED DEBT – Outstanding Bonds Under the Trust Agreement," "AVIATION DEPARTMENT FINANCIAL INFORMATION" and "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

This Official Statement contains descriptions of, among other matters, the Series 2009 Bonds, the Trust Agreement, the Aviation Department, the Airport and its facilities, demographic and statistical information regarding the Airport, the CIP, [the financial guaranty insurance policy (the "_____") to be issued by _____ ("_____") concurrently with the delivery of the Series 2009 Bonds.] 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 ("DTC") and the [Bond Insurers]. [The County has not provided information in this Official Statement with respect to DTC, the Municipal Bond Insurance Policies or the Bond Insurers and the County does not certify as to the accuracy or sufficiency of the disclosure policies of or content provided by DTC or the Bond Insurers, and is not responsible for the information provided by DTC or the Bond Insurers.] All references in this Official Statement to the Trust Agreement and related documents are qualified in their entirety by reference to such documents, and references in this Official Statement to the Series 2009 Bonds are qualified in their entirety by reference to the form of the Series 2009 Bonds included in the Trust Agreement.

The Report of the Traffic Engineers is included as APPENDIX A. Audited financial statements of the Aviation Department for the fiscal years ended September 30, 2007 and September 30, 2006 and unaudited financial statements of the Aviation Department for the fiscal year ended September 30, 2008 are included as APPENDIX B. A summary of certain provisions of the Trust Agreement is included as APPENDIX C. A summary of certain provisions of the Airline Use Agreement is included as APPENDIX D. The opinions in substantially final form to be delivered by Greenberg Traurig, P.A., and Edwards & Associates, P.A., Bond Counsel, are included as APPENDIX E. The opinions in substantially final form to be delivered by Edwards Angell Palmer & Dodge LLP and Rasco, Reininger, Perez, Esquenazi & Vigil, P.L., Disclosure Counsel, are included as APPENDIX F. [A specimen of the _____ Insurance Policy is included as APPENDIX G. A specimen of the _____ Insurance Policy is included as APPENDIX H.]

All capitalized terms not otherwise defined in this Official Statement shall have the meanings ascribed to them in the Trust Agreement. *See* "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT" for definitions of certain of those terms.

AUTHORIZATION FOR THE SERIES 2009 BONDS

Pursuant to the Act, the County is authorized to construct, acquire, establish, improve, extend, enlarge, reconstruct, equip, maintain, repair and operate, within or outside the territorial boundaries of the County, projects, including, but not limited to, airport facilities of all kinds, including all properties, rights, easements and franchises relating to such airport facilities. The Airport, three general aviation airports, one flight training airport, one decommissioned airport, and airport-related properties and improvements constituting Port Authority Properties are operated by the County through the Aviation Department. Title to the Port Authority Properties is vested in the County.

The Act authorizes the issuance of aviation revenue bonds to mature not later than forty years from their date of issuance for any of the purposes set forth in the Act. Such revenue bonds do not constitute a debt of the County, or a pledge of the faith and credit of the County, but are payable solely from Net Revenues of the Port Authority Properties.

The Series 2009 Bonds are being issued pursuant to the Act, the Trust Agreement, the Series 2009 Resolution and Ordinance No. 95-38 enacted by the Board on February 21, 1995 authorizing the issuance of up to $1,200,000,000 in aviation revenue bonds (the "1995 Authorization"), Ordinance No. 96-31 enacted by the Board on February 6, 1996 authorizing the issuance of up to $2,600,000,000 in additional aviation revenue bonds (the "1996 Authorization"), Ordinance No. 97-207 enacted by the

Board on November 4, 1997 authorizing the issuance of up to $500,000,000 in additional aviation revenue bonds (the "1997 Authorization") and Ordinance No. 08-121 enacted by the Board on October 21, 2008 authorizing the issuance of up to $1,900,000,000 in additional aviation revenue bonds (the "2008 Authorization," and collectively with the 1995 Authorization, the 1996 Authorization and the 1997 Authorization, the "Authorizations"). Of the $6.2 billion in Authorizations, approximately $4.142 billion of aviation revenue bonds have been issued, leaving approximately $2.058 billion in Authorizations remaining prior to the issuance of the Series 2009 Bonds for the issuance of Bonds (other than Refunding Bonds) to fund projects at the Airport.

The County may determine to sell and/or issue the Series 2009A Bonds and/or the Series 2009B Bonds, from time to time, in one or more tranches or sub-series, rather than in a single issue of the Series 2009 Bonds, all in accordance with the Series 2009 Resolution.

Pursuant to the Trust Agreement and the 1997 Authorization, the Board adopted Resolution No. R-777-00 on July 25, 2000 authorizing the issuance from time to time of up to $400,000,000 outstanding in the aggregate at any time of Aviation Commercial Paper Notes, Series A (AMT) and Aviation Commercial Paper Notes, Series B (Non-AMT) (collectively, the "CP Notes") to fund on a short-term basis all or a portion of the CIP and covenanting to pay the principal of, and interest on, the CP Notes from the proceeds of Additional Bonds or, if necessary, as to interest only from available moneys in the Improvement Fund under the Trust Agreement. On March 1, 2005, the Board adopted Resolution No. R-235-05 reauthorizing the Commercial Paper Program through August 1, 2010. On June 21, 2005, the Board adopted Resolution No. R-786-05 authorizing the issuance of the CP Notes. *See* "AVIATION RELATED DEBT – Commercial Paper Notes" and "FUNDING SOURCES FOR THE CIP."

PURPOSE OF FINANCING

The Series 2009 Bonds are being issued pursuant to the Act, the Trust Agreement, the Authorizations and the Series 2009 Resolution, and the proceeds thereof will be used for the purpose of (a) refinancing all or a portion of the outstanding CP Notes, if any; (b) financing or reimbursing the County for all or a portion of the cost of the Improvements to the Port Authority Properties, more particularly described in the Series 2009 Resolution, which are part of the CIP (the "Projects") (*see* "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM"); (c) making a deposit to the Reserve Account, including a deposit of a Reserve Facility or Facilities, if any; (d) paying certain costs of issuance, including the premiums for any Credit Facility and/or Reserve Facility, if deemed advisable; and (e) paying capitalized interest, if any, on all or a portion of the Series 2009 Bonds.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds derived from the sale of the Series 2009 Bonds are expected to be applied as follows:

	Series 2009A Bonds	Series 2009B Bonds
SOURCES OF FUNDS:		
Aggregate Par Amount		
Plus: Original Issue Premium		
Less: Original Issue Discount		
TOTAL SOURCES		
USES OF FUNDS:		
Deposit to Series 2009 Accounts of the Construction Fund		
Payment of CP Notes[(1)]		
Projects		
Capitalized Interest[(2)]		
Deposit to Reserve Account		
Underwriters' Discount		
Costs of Issuance[(3)]		
TOTAL USES		

(1) Includes $_____ principal amount of CP Notes and $_____ of accrued and unpaid interest at maturity.
(2) Consists of capitalized interest on the Series 2009 Bonds through _____ .
(3) Includes the premiums for the [Municipal Bond Insurance Policies and the Reserve Facilities].

THE SERIES 2009 BONDS

General

The Series 2009 Bonds will be dated as of their date of delivery, will bear interest at such rates, will be payable at such times, and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Series 2009 Bonds will be payable on April 1 and October 1 of each year, commencing October 1, 2009. The Series 2009 Bonds will be subject to optional and mandatory redemption as described in this Official Statement. The Series 2009 Bonds are being issued as fully registered bonds in denominations of $5,000 or any integral multiple of $5,000, and when issued will be initially registered in the name of Cede & Co., as nominee of DTC. Purchases of beneficial interests in the Series 2009 Bonds will be made in book-entry only form, without certificates. If the book-entry only system is discontinued, such beneficial interests are exchangeable for one or more fully registered bonds of like principal amount.

So long as any of the Series 2009 Bonds are in book-entry only form, the registered owner of the Series 2009 Bonds will be Cede & Co. for all purposes of the Trust Agreement and the principal of and interest on the Series 2009 Bonds will be payable as described under "THE SERIES 2009 BONDS – Book-Entry Only System" below.

Redemption

The Series 2009 Bonds are subject to optional and mandatory redemption prior to their stated maturity, as set forth below.

Optional Redemption

The Series 2009 Bonds maturing on or before October 1, ____ shall not be subject to optional redemption prior to maturity. The Series 2009 Bonds maturing on or after October 1, ____ may be redeemed prior to their respective maturities at the option of the County, upon at least 30 days' notice, either in whole or in part, from any moneys that may be available for such purpose, on any date on or after October 1, ____, at a redemption price equal to [___]% of the principal amount of such Series 2009 Bonds or portion of such Series 2009 Bonds to be redeemed, plus accrued interest to the date of redemption[, without premium].

Mandatory Redemption

The Series 2009A Bonds maturing on October 1, ____ are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2009A Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
____	$_____
____	_____
____	_____
____*	_____
____	_____

* Final maturity

The Series 2009A Bonds in the principal amount of $_____ maturing on October 1, ____ with an interest rate of _____% are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2009A Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
____	$_____
____	_____
____	_____
____*	_____
____	_____

* Final maturity

The Series 2009A Bonds in the principal amount of $_____ maturing on October 1, ____ with an interest rate of _____% are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2009A Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
____	$_____
____*	_____
____	_____

* Final maturity

The Series 2009A Bonds in the principal amount of $_____ maturing on October 1, ___ with an interest rate of _____% are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2009A Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
____	$_____
____*	_____
____	_____

* Final maturity

Notice and Effect of Redemption

In the event of a partial redemption of any Series of the Series 2009 Bonds, such Series of the Series 2009 Bonds may be redeemed in any order of maturity determined by the County. If less than all of any Series of the Series 2009 Bonds of any one maturity shall be called for redemption, the particular Series 2009 Bonds to be redeemed shall be selected by lot by the Trustee by such method as it shall deem fair and appropriate. However, so long as the Series 2009 Bonds are fully registered in book-entry form and registered in the name of Cede & Co. (DTC's partnership nominee), the provisions for selecting Series 2009 Bonds for redemption may be altered in order to conform to the requirements of DTC.

Notice of the proposed redemption of any Series 2009 Bonds shall be mailed, postage prepaid, to Cede & Co., as nominee of DTC, as registered owner of the Series 2009 Bonds, or, if DTC is no longer the registered owner of the Series 2009 Bonds, to the then registered owners of the Series 2009 Bonds, as applicable, which notice shall be mailed at least 30 days prior to the date fixed for redemption (the "Redemption Date").

The Series 2009 Resolution states that, in the case of an optional redemption, the notice of redemption may state that (i) it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Trustee no later than the Redemption Date, or (ii) 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 paragraph. 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 Trustee directing the Trustee to rescind the redemption notice. The Trustee shall give prompt notice of such rescission to the affected holders of Series 2009 Bonds. Any Series 2009 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 Trustee shall give immediate notice to the securities information repositories and the affected holders of Series 2009 Bonds that the redemption did not occur and that the Series 2009 Bonds called for redemption and not so paid remain Outstanding.

No interest shall accrue after the Redemption Date of any Series 2009 Bonds if notice has been duly given as provided in the Trust Agreement and payment for any Series 2009 Bonds has been duly provided, and in such event, any Series 2009 Bonds (or portion of such Series 2009 Bonds) called for redemption will no longer be protected by the lien of the Trust Agreement, but shall be secured solely by the moneys held for the redemption payment of such Series 2009 Bonds. The failure to mail a notice of redemption as required in the Trust Agreement shall not affect the validity of the proceedings for such redemption.

Acceleration Upon Default

All principal of and accrued interest on the Series 2009 Bonds may become immediately due and payable, without premium, upon an Event of Default under the Trust Agreement if the Trustee (1) exercises its option to so declare or (2) is directed to so declare by the holders of at least 20% in aggregate principal amount of all Outstanding Bonds under the Trust Agreement, or after none of the Bonds issued prior to December 15, 2002 are Outstanding, by the holders of not less than a majority, in principal amount of the Outstanding Bonds. *See* "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Remedies of Bondholders."

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2009 Bonds. The Series 2009 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 Series 2009 Bond certificate will be issued for each maturity of each Series of the Series 2009 Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, 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. 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 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 2009 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2009 Bonds on DTC's records. The ownership

interest of each actual purchaser of each Series 2009 Bond ("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 2009 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 certificates representing their ownership interests in the Series 2009 Bonds, except in the event that use of the book-entry system for the Series 2009 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2009 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 2009 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 2009 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2009 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 2009 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2009 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2009 Bonds may wish to ascertain that the nominee holding the Series 2009 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.

Redemption notices shall be sent to DTC. If less than all of the Series 2009 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2009 Bonds unless authorized by a Direct Participant in accordance with DTC's 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 Series 2009 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and interest payments on the Series 2009 Bonds will be made to Cede & Co., or 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 Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by 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 Trustee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and interest, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of

DTC) is the responsibility of the County and/or the Trustee, 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.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County and the Underwriters believe to be reliable, but the County and the Underwriters take no responsibility for the accuracy thereof.

NEITHER THE COUNTY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DTC PARTICIPANT OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2009 BONDS IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT, THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2009 BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF SERIES 2009 BONDS UNDER THE TRUST AGREEMENT, THE SELECTION BY DTC OR ANY DTC PARTICIPANT OR ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2009 BONDS, OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2009 BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE HOLDERS OF SERIES 2009 BONDS OR REGISTERED OWNERS OF THE SERIES 2009 BONDS SHALL MEAN CEDE & CO., AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2009 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 2009 Bond certificates, the County may notify DTC and the Trustee, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2009 Bond certificates. In such event, the County shall prepare and execute, and the Trustee shall authenticate, transfer and exchange, Series 2009 Bond certificates as requested by DTC in appropriate amounts and within the guidelines set forth in the Series 2009 Resolution. DTC may also determine to discontinue providing its services with respect to the Series 2009 Bonds at any time by giving written notice to the County and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the County and the Trustee shall be obligated to deliver Series 2009 Bond certificates as described herein. In the event Series 2009 Bond certificates are issued, the provisions of the Trust Agreement and the Series 2009 Resolution 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 Trustee to do so, the County will direct the Trustee to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Series 2009 Bonds to any DTC Participant having Series 2009 Bonds credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2009 Bonds.

SECURITY FOR THE SERIES 2009 BONDS

Pledge of Net Revenues

The Bonds and the interest on the Bonds are payable solely from and are secured by a pledge of the Net Revenues of the Port Authority Properties.

"Net Revenues" are defined in the Trust Agreement as the amount of the excess of the Revenues of the Port Authority Properties over the total of the Current Expenses of the Port Authority Properties. "Revenues" are defined in the Trust Agreement as all moneys received or earned by the County for the use of, and for the services and facilities furnished by, the Port Authority Properties and all other income derived by the County from the operation or ownership of said Port Authority Properties, including any ground rentals for land on which buildings or structures may be constructed, whether such buildings or structures shall be financed by Bonds issued under the provisions of the Trust Agreement or otherwise, and Hedge Receipts. "Revenues" do not, however, include any moneys received as a grant or gift from the United States of America or the State of Florida (the "State") or any department or agency of either of them or any moneys received from the sale of property. "Current Expenses" are defined in part as the County's reasonable and necessary current expenses of maintenance, repair and operation of the Port Authority Properties and shall include, without limiting the generality thereof, amounts payable to any bank or other financial institution for the issuance of a Credit Facility, Liquidity Facility or Reserve Facility, but shall not include any reserves for extraordinary maintenance or repair, or any allowance for depreciation, or any Hedge Obligations or Hedge Charges. *See* "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

For purposes of the Trust Agreement, unless otherwise provided by resolution of the Board, the proceeds of Passenger Facilities Charges or "PFCs" are excluded from the definition of Revenues and therefore are not included in Net Revenues and are not pledged to the payment of the Bonds. The Board has not provided by resolution for the PFCs to be part of Revenues. The County, however, has previously utilized a portion of the PFCs to pay debt service on the Bonds and may, in its discretion, elect to do so in the future. *See* " – Rate Covenant" under this caption.

In addition, the amounts held under the Trust Agreement in the Construction Fund, the Revenue Fund, the Sinking Fund (including the Bond Service Account, the Reserve Account and the Redemption Account), the Reserve Maintenance Fund and the Improvement Fund are pledged to secure holders of the Bonds, subject to certain limitations provided in the Trust Agreement.

THE SERIES 2009 BONDS WILL BE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM A PLEDGE OF NET REVENUES DERIVED FROM THE PORT AUTHORITY PROPERTIES, INCLUDING THE OPERATION OF THE AIRPORT AND CERTAIN OTHER MONEYS. THE SERIES 2009 BONDS WILL BE SECURED ON A PARITY BASIS WITH THE COUNTY'S OUTSTANDING BONDS UNDER THE TRUST AGREEMENT. NEITHER THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR THE COUNTY NOR THE FAITH AND CREDIT OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2009 BONDS. THE ISSUANCE OF THE SERIES 2009 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OF FLORIDA OR THE COUNTY OR ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR THE COUNTY TO LEVY ANY TAXES FOR THE SERIES 2009 BONDS OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT EXCEPT FROM THE NET REVENUES AND CERTAIN OTHER MONEYS PLEDGED TO THE PAYMENT OF THE SERIES 2009 BONDS UNDER THE TRUST AGREEMENT.

Rate Covenant

The County has covenanted in the Trust Agreement that it will at all times fix, charge and collect rates and charges for the use of and for the services and facilities furnished by the Port Authority Properties, and that from time to time, and as often as it shall appear necessary, it will revise such rates and charges as may be necessary or proper, in order that the Revenues will at all times be sufficient (the "Rate Covenant" or the "Rate Covenant Requirement"):

(i) to provide funds for the payment of Current Expenses;

(ii) to provide for making the deposits to the Reserve Maintenance Fund of the amounts recommended by the Consulting Engineers under the Trust Agreement; and

(iii) to provide for (a) making deposits to the Sinking Fund (other than the Reserve Account) in each 12-month period ending September 30th (each, a "Fiscal Year") of an amount not less than 120% of the Principal and Interest Requirements for such Fiscal Year on account of the Bonds of each Series then Outstanding and (b) making deposits required to be made during such Fiscal Year into the Reserve Account and/or payments required to be made during such Fiscal Year to providers of Reserve Facilities in connection with draws under such facilities.

Consistent with the terms of the Airline Use Agreement, as described below, the County includes a portion of the monies remaining in the Improvement Fund at the end of each Fiscal Year as "Revenues" in the following Fiscal Year for the purposes of satisfying the Rate Covenant Requirement. This inclusion may affect the actual amount that the County must collect in Revenues in any given year to comply with the rate covenant as well as the charges to be set and collected under the Airline Use Agreement.

The County also has the ability to deposit funds from non-Revenue sources (*e.g.*, PFCs) directly into the Bond Service Account and the Redemption Account to reduce the Principal and Interest Requirements (*i.e.*, the dollar amount that the Rate Covenant requires to be covered each year with the 20% coverage factor). In the past the County has deposited substantial amounts derived from PFCs into the Bond Service Account and may choose to do so in the future to the extent of debt service attributable to eligible projects that may be paid for with PFCs. Such deposits effectively reduce the total amount of Revenues that must be collected each year to comply with the Rate Covenant, since they reduce the dollar amount of Principal and Interest Requirements. Accordingly, if the amount of PFCs deposited into the Bond Service Account is substantially reduced in the future, coverage would be adversely affected unless the County collected additional revenues sufficient to cover the amount of the reduction plus the coverage factor. The Traffic Engineers have assumed that the County will continue to deposit PFCs into the Bond Service Account at substantial levels. *See* "FUNDING SOURCES FOR THE CIP – Passenger Facility Charges" and "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

The Trust Agreement provides that the County may enter into new leases or other agreements or contracts for the use of services or facilities of the Port Authority Properties on such terms and for such periods of time as the County shall determine to be proper, provided that the rents, fees and charges applicable thereto shall not be less than those prevailing for similar services or facilities on the date of execution of the Trust Agreement, unless approved by the Traffic Engineers. The County has also covenanted in the Trust Agreement that any leases or other agreements entered into after November 1, 1985 for the use of any services or facilities of the Port Authority Properties shall contain a provision (the "rental adjustment provision") to the effect that if a court of competent jurisdiction shall determine that any of the rentals, fees or other charges (the "rental charges") imposed by the County under such leases or agreements, or under leases or other agreements for the use of similar services or facilities of the Port

Authority Properties, are unjustly discriminatory, the County shall have the right to increase or otherwise adjust the rental charges imposed by any leases or other agreements containing the rental adjustment provision in such manner as the County shall determine is necessary and fair so that such rental charges shall not thereafter be unjustly discriminatory, nor shall any such rental adjustment diminish rental income to such an extent as to prevent the County from meeting its covenants under the Trust Agreement or from adhering to its representations made in any official statement distributed in connection with any Bonds issued under the Trust Agreement after November 1, 1985. Any such rental adjustment provision may also provide that in the event of a substantial upward adjustment in the rental charges pursuant to said provision, the lessee or other user of such services or facilities shall have the right to terminate such lease or other agreement by 60 days' written notice given to the County within one year of the effective date of such upward adjustment.

See " – Funds and Flow of Funds" under this caption for a description of the priority of monthly deposits to the Sinking Fund and the Reserve Maintenance Fund.

Airline Use Agreement

General

The current Airline Use Agreement (the "AUA") became effective in May 2002. As of September 30, 2008, 83 airlines have executed the AUA and are referred to in this Official Statement as the "Signatory Airlines." Of the Signatory Airlines, 63 operated at MIA during the month of September 2008 and the remaining 20 airlines were air carriers that operate as charter, seasonal, scheduled international and scheduled domestic airlines that did not operate at MIA during the month of September 2008.

The AUA sets forth each Signatory Airline's obligations to the County for its operations at the Airport. The AUA extends to April 30, 2017; however, the Signatory Airlines have agreed to pay landing fees ("Landing Fees") and other charges at the levels required under the AUA, including specifically those required to meet the Rate Covenant Requirement under the Trust Agreement or any successor financing document, after April 30, 2017 for so long as such Signatory Airline operates at the Airport or any other airport in the Airport System. In addition, each Signatory Airline consents to the Airport System residual methodology for calculation of Landing Fees, and a cost-based, equalized rate setting methodology for calculating rents and user fees for the use of facilities, equipment and services at the Airport's terminal building (the "Terminal Building"). *See* " – Landing Fees" and " – Terminal Rents and User Fees" under this caption.

Under the AUA, the County has agreed to work closely with the Signatory Airlines to review the approved capital projects for the Airport System through the Miami Airport Affairs Committee (the "MAAC"), which consists of at least 11, but not more than 21, airlines. So long as it provides service at the Airport System and is in good standing under the AUA, each of the following airlines is a permanent member of the MAAC: American Airlines, Air Canada, Continental Airlines, Delta Air Lines, Northwest Airlines, United Airlines and US Airways. In addition, the MAAC includes at least one European passenger airline, one Caribbean/Latin American passenger airline, one cargo airline and one regional airline. Additional representatives for the MAAC are selected from Signatory Airlines constituting the top 25 airlines by landed weight at the Airport. This selection process is described in "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT." A majority-in-interest of Signatory Airlines on the MAAC ("MIIs") represent the airlines' interests at the Airport and make decisions required by the AUA on behalf of all Signatory Airlines. Under the AUA, the MIIs have varying levels of review and approval or disapproval authority over certain capital improvement projects, which increases as the projection of airline costs per enplaned passengers approaches and then exceeds

$35 (expressed in 1998 dollars)*. This review and approval or disapproval process is described in "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT."

The AUA creates the Aviation Capital Account and its two sub-accounts, the Retainage Sub-Account and the Performance Sub-Account. The AUA provides that the Retainage Sub-Account is to be funded annually up to $5,000,000 from moneys in the Improvement Fund subject to a cumulative balance of $15,000,000 (as such cumulative balance may be adjusted annually based on the consumer price index as described in this paragraph). The Performance Sub-Account may be funded annually from moneys in the Improvement Fund in an amount equal to 50% of the Revenues that exceed breakeven costs of Cargo and Commercial Aviation Support Facilities (as defined in the AUA). Both of these amounts are subject to adjustment annually up or down by the percentage change in the consumer price index for urban areas for the Miami-Fort Lauderdale combined metropolitan service area. As of September 30, 2008, the balance in the Retainage Sub-Account was $18.4 million and the balance in the Performance Sub-Account was $2.0 million. Currently, the Aviation Capital Account and its two sub-accounts are held in the Improvement Fund and are subject to a lien in favor of holders of the Bonds. However, the Aviation Department has the option of depositing these moneys in an account outside of the Improvement Fund, and in such case, such moneys will not be subject to a lien in favor of holders of the Bonds. There is no cap on the cumulative amount deposited annually to the Performance Sub-Account. The Aviation Department may use the moneys in the Retainage Sub-Account and the Performance Sub-Account for any lawful aviation-related purposes. For instance, the moneys in the Retainage Sub-Account provide the source of payment for the Florida Department of Transportation State Infrastructure Bank loan as further described under "AVIATION RELATED DEBT – Other Airport Related Debt." [TO BE UPDATED]

Landing Fees

The AUA provides that the County will establish a landing fee rate (the "Landing Fee Rate") under a residual methodology as described in "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT." Based upon the proposed annual budget for Port Authority Properties, the Aviation Department calculates the Landing Fee Rate to be effective each October 1st on the basis of estimated total landed weight for the annual period. Prior to the adoption of the budget by the Board, the Aviation Department meets with the MAAC to review the proposed budget and the calculation of the Landing Fee Rate. The Landing Fee Rate may also be adjusted on April 1st of each year or at any other time to meet emergencies. The Landing Fee Rate is calculated so that the Net Revenues to be received by the County in each Fiscal Year, after deducting required deposits to the Reserve Maintenance Fund, will not be less than 120% of the Principal and Interest Requirements for such Fiscal Year on account of Bonds Outstanding under the Trust Agreement and adjusted as may be necessary to meet the requirements and obligations on account of all other Airport System indebtedness (including any commercial paper, interest rate swap agreements, and subordinated bonds) payable from Revenues.

As set forth in the AUA, an airline is obligated to pay 100%, 105% or 150% of the Landing Fee Rate and certain aviation use fees (collectively, the "Aviation Activities Fees"), depending on the airline's compliance with the AUA and a separate Aviation User Credit Program ("AUCP"). An airline that both signs the AUA and complies with the AUCP is entitled to pay not more than 100% of the established Aviation Activities Fees. An airline that does not sign the AUA (each such airline, a "Non-Signatory Airline"), but is nevertheless permitted by the Aviation Department to participate in the AUCP, is

* The Traffic Engineers estimate that the projected costs per enplaned passenger for the ensuing ten years of MII will not exceed $19 (expressed in 1998 dollars). **[TO BE UPDATED]**

required to pay 105% of such fees. Any airline, whether a Signatory or Non-Signatory Airline, that does not comply with the AUCP is required to pay 150% of Aviation Activities Fees in cash each time it uses the Airport facilities. Copies of the AUA are available upon request from the Aviation Department, and a summary of certain provisions of the AUA is described in "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT." [TO BE UPDATED]

Terminal Rents and User Fees

The Terminal Building includes space leased exclusively by airlines for uses such as ticket counters, offices, passenger lounges and VIP clubs, but the majority of the space within the Terminal Building constitutes common use space, including concourses and passenger hold rooms. An airline using either exclusive use space or common use space in the Terminal Building must pay rents and user fees calculated in accordance with the methodology established by resolution of the Board. Consistent with the methodology established under the current Board resolution, the Aviation Department uses a blended or equalized rate approach for determining terminal rents and user fees. This means that each airline pays the same rate for a particular class of property regardless of its location within the Terminal Building. *See* "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

Airlines requiring exclusive use space in the Terminal Building have entered into separate Terminal Building Lease Agreements ("TBLAs") covering the rights and obligations regarding the use of such space.

Each TBLA sets forth two separate time periods: (1) an over-all time period of five years from the execution date that gives the airline tenant the right to use suitable space somewhere in the Terminal Building, thus assuring the airline that its operating needs will be met with space mutually agreed upon by the parties; and (2) a month-to-month lease period applicable to specific, identified space in the Terminal Building, with either party having the right to cancel the lease for such specific space on 30 days' notice. The month-to-month term permits the Airport and the airline tenant to have maximum flexibility regarding such specific space by permitting the airline to increase or decrease its leased space area depending on the airline's operating requirements, and by allowing the Airport to relocate the airline to a different location if the Airport's needs require it.

Reserve Account

The Trust Agreement provides for the maintenance of a common Reserve Account to secure payment of all Bonds Outstanding under the Trust Agreement and requires the County to make deposits to the Reserve Account until the amounts on deposit therein (including amounts available under any Reserve Facilities) equal one-half of the maximum annual Principal and Interest Requirements for any Fiscal Year thereafter on all Bonds then Outstanding (the "Reserve Account Requirement"). The Trust Agreement further provides that upon the delivery of Additional Bonds, the increase, if any, in the Reserve Account Requirement may be funded from proceeds of such Additional Bonds or from monthly deposits to the Reserve Account which are required to be made in an amount equal to $1/60^{th}$ of the Reserve Account Requirement, until the Reserve Account Requirement is met. If the required deposit to the Reserve Account is being satisfied by the reinstatement of any amount drawn under a Reserve Facility, the Trust Agreement requires the County to pay to the provider thereof such amount as shall be required to cause the provider to reinstate no less than the required deposit for such month.

Notwithstanding the foregoing, in lieu or in satisfaction of any required deposit into the Reserve Account or in substitution for all or a portion of the amounts on deposit, the County may cause to be deposited into the Reserve Account a Reserve Facility for the benefit of the holders of the Bonds, provided that prior to the deposit of a Reserve Facility into the Reserve Account, the Board shall adopt a

resolution fixing, or providing for the fixing of, all details with respect to such Reserve Facility and draws thereunder. Any such Reserve Facility shall be available to be drawn (upon the giving of notice as required thereunder) on any payment date on which a deficiency exists for payment of the Bonds, which deficiency is payable from the Reserve Account and which cannot be cured by moneys in the Reserve Account or any other Fund or Account held pursuant to the Trust Agreement and available for such purpose. If any such Reserve Facility is substituted for moneys on deposit in the Reserve Account, the excess moneys in the Reserve Account shall be applied to satisfy any deficiency in any of the Funds and Accounts, and any remaining balance shall be deposited with the Trustee to the credit of the Improvement Fund. If a disbursement is made from a Reserve Facility, the County shall be obligated, in accordance with the provisions of the Trust Agreement, to either (i) reinstate such Reserve Facility, (ii) deposit moneys in the Reserve Account, or (iii) undertake a combination of such alternatives. *See* " – Funds and Flow of Funds" below.

In the event the Reserve Account is at any time funded with more than one Reserve Facility, any required draw under such Reserve Facilities shall be made on a pro-rata basis; provided, however, that if at the time of such draw the Reserve Account is only partially funded with one or more Reserve Facilities, prior to drawing on such facilities, there shall first be applied any cash and securities on deposit in the Reserve Account and, if after such application a deficiency exists, the Trustee shall make up the deficiency by drawing on such facilities as provided in this paragraph. Amounts drawn or paid under a Reserve Facility shall be reimbursed to the provider in accordance with the terms and provisions of the reimbursement or other agreement governing such facility entered into between the County and such provider.

The Trust Agreement requires that any Reserve Facility must be with a provider rated on the date of deposit of such facility into the Reserve Account in one of the two highest rating categories (without regard to any gradations in such categories) of a nationally recognized rating agency (the "Threshold"). If, but only while any Bonds issued prior to December 15, 2002 are Outstanding under the Trust Agreement, the rating of the provider of any Reserve Facility previously provided falls below the Threshold with respect to any nationally recognized rating agency then maintaining a rating on such provider, the County shall either (i) replace such Reserve Facility with another Reserve Facility, (ii) deposit moneys in the Reserve Account in accordance with the Trust Agreement, or (iii) undertake a combination of such alternatives. *See* " – Funds and Flow of Funds" below. Promptly upon obtaining actual knowledge of such reduction in ratings, the County is required, under the Trust Agreement, to notify the Trustee and the Co-Trustee of the occurrence of such event.

Three of the Reserve Facility providers, Syncora Guarantee, Inc. (previously XL Capital Assurance Inc.) ("SYN"), CIFG Assurance North America, Inc. ("CIFG"), and Financial Guaranty Insurance Company ("FGIC"), were recently downgraded below the Threshold. Subsequently, the Reserve Facility provided by FGIC was upgraded above the Threshold by Standard & Poor's Ratings Services as a result of reinsurance by MBIA Insurance Corporation of a substantial portion of FGIC's portfolio. The County advised the Trustee and Co-Trustee of the downgrades as required by the Trust Agreement. Prior to the issuance of the County's Aviation Revenue Bonds, Series 2008A (AMT) and Aviation Revenue Bonds, Series 2008B (Non-AMT) (collectively, the "Series 2008 Bonds"), the County deposited moneys into the Reserve Account in an amount equal to $1/60^{th}$ of the Reserve Account Requirement per month in accordance with the Trust Agreement to fund the shortfall in the Reserve Account resulting from the downgrades in existence at that time. Subsequently, in connection with the issuance of the County's most recent series of Airport Revenue Bonds, *i.e.,* the Series 2008 Bonds, the County deposited proceeds of such bonds into the Reserve Account in an additional amount equal to the shortfall in order to make the Reserve Account fully funded.

At the time of issuance of the Series 2008 Bonds, the amount on deposit in the Reserve Account was $142,022,187.75, of which $104,494,282.00 was in cash and $37,527,905.75 was in Reserve Facilities (excluding the amount of Reserve Facilities provided by SYN, CIFG and FGIC as discussed above), which equaled the Reserve Account Requirement for all Bonds then Outstanding. The amounts and the values of Reserve Facilities credited to the Reserve Account Requirement prior to the issuance of the Series 2009 Bonds are set forth in the table below:

Reserve Account Surety Policies
(prior to the issuance of the Series 2009 Bonds)

Provider	Expiration Date	Surety Amount	Value Credited to the Reserve Account Requirement	Policy No.
Financial Security Assurance	10/1/2036	$15,126,564.00	$15,126,564.00	200098-R
Financial Guaranty Insurance Corporation	10/1/2035	7,156,087.38	7,156,087.38	03010630
MBIA Insurance Corporation	10/1/2024	6,763,107.75	6,763,107.75	41349(2)
Financial Guaranty Insurance Corporation	10/1/2037	6,897,437.50	6,897,437.50	04010238
CIFG Assurance North America, Inc.	10/1/2038	3,332,670.17	0	CIFG NA-628
Syncora Guarantee, Inc.	10/1/2040	8,278,287.00	0	CA03782B
Assured Guaranty Corp.	10/1/2038	6,802,095.00	6,802,095.00	D-2008-509
Financial Security Assurance	10/1/2041	8,836,139.00	8,836,139.00	210591-R
Total Surety Bonds		$$63,192,387.80		
Total Value Credited to the Reserve Account Requirement			$51,581,430.63	
Cash			104,494,282	
Total - Cash and Value of Credited Sureties			**$156,075,712.63**	
Reserve Account Requirement			**$312,151,425.26**	

Upon delivery of the Series 2009 Bonds, the amount on deposit in the Reserve Account will contain $_____ in cash and $_____ of Reserve Facilities (excluding the SYN and CIFG Reserve Facilities discussed above) and will be equal to the Reserve Account Requirement for all Bonds then Outstanding, including the Series 2009 Bonds.

If any other Reserve Facility provider is downgraded below the Threshold, the County intends to comply fully with the above described requirements of the Trust Agreement relating to funding the Reserve Account.

Moneys on deposit to the credit of the Reserve Account shall, as nearly as may be practicable, be invested and reinvested by the Trustee, at the direction of the County, in Authorized Investments which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than 15 years after the date of such investment.

For purposes of the Trust Agreement, moneys for deposit in, or held for the credit of, the Reserve Account shall include amounts available under any Reserve Facility on deposit in the Reserve Account.

Issuance of Additional Bonds

The County may issue aviation revenue bonds under the Trust Agreement, on a parity with Bonds Outstanding under the Trust Agreement, at any time or times for the purpose of, among other things, paying all or part of the cost of any additional Improvements or Projects or any portions thereof, including

the payment of any notes or other obligations of the County or the repayment of any advances made from any source to temporarily finance such cost ("Additional Bonds"). Such Additional Bonds may not be issued unless, among other things:

(i) the proceeds (excluding accrued interest) of such Additional Bonds to be applied to the cost of the Improvements or Project or portions thereof to be financed in whole or in part by the issuance of such Additional Bonds, at the purchase price to be paid therefor, together with the other funds which have been or will be made available for such purpose as set forth in the certificate of the Aviation Director required by the Trust Agreement, shall be not less than the total cost of the Improvements or Project or portions thereof to be financed in whole or in part by the issuance of such Additional Bonds as estimated by the Consulting Engineers in the statement required by the Trust Agreement, and

(ii) either, (a) the percentage derived by dividing (1) the amount of Net Revenues (which may be adjusted as described in the Trust Agreement) for any period of 12 consecutive calendar months selected by the County out of the 18 calendar months immediately preceding the date of the certificate of the Aviation Director required by the Trust Agreement by (2) the largest amount of the Principal and Interest Requirements for any succeeding Fiscal Year on account of all Bonds previously issued under the Trust Agreement and then outstanding and the Additional Bonds then requested to be authenticated and delivered shall not be less than 120%, or (b) the percentage derived by dividing (1) the amount of annual Net Revenues in each of the five Fiscal Years immediately following the date of a statement of the Traffic Engineers estimating the annual Net Revenues for the applicable five Fiscal Years or, if interest on the Additional Bonds then requested to be authenticated and delivered is to be paid from proceeds of such Additional Bonds, in each of the five Fiscal Years immediately following the last date on which interest on such Additional Bonds is to be paid from proceeds of such Additional Bonds, by (2) the amount of Principal and Interest Requirements for each of such Fiscal Years, shall not be less than 120%, and

(iii) the amount to the credit of the Reserve Account in the Sinking Fund (including amounts available under any Reserve Facilities) shall be not less than the amount then required to be on deposit to the credit of the Reserve Account under the Trust Agreement.

The County may issue Additional Bonds under the Trust Agreement for completion of a Project being financed by a Series of Bonds without satisfying the above described financial test, if proceeds of such Series of Bonds issued for such Project are insufficient to complete such Project. *See* "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Issuance of Additional Bonds" for a more complete discussion of the issuance of Additional Bonds.

Issuance of Refunding Bonds

The County may issue aviation revenue bonds under the Trust Agreement payable on a parity with Bonds Outstanding under the Trust Agreement to refund all or a portion of the Bonds of any Series Outstanding under the Trust Agreement or certain other obligations (the "Refunding Bonds"). Conditions for the issuance of Refunding Bonds include, among others, a requirement that either (1) the total Principal and Interest Requirements for the Refunding Bonds during their term is less than the total Principal and Interest Requirements for the bonds to be refunded during their term; (2) the percentage derived by dividing (a) the Net Revenues for the relevant Computation Period by (b) the maximum amount of Principal and Interest Requirements for any succeeding Fiscal Year on account of all aviation revenue bonds theretofore issued under the provisions of the Trust Agreement and then Outstanding (other than refunded bonds) and the proposed Refunding Bonds, as set forth in a certificate of the

Aviation Director, approved by the Traffic Engineers as to (a) above to the extent of any adjustment to Net Revenues and approved by the Trustee as to item (b) above, shall not be less than 120%; or (3) the percentages derived by dividing (a) the estimated amount of annual Net Revenues in each of the five Fiscal Years immediately following delivery of the Refunding Bonds (such Net Revenues to be determined from the Revenues and Current Expenses as estimated by the Traffic Engineers in a statement signed by the Traffic Engineers) by (b) the amount of the Principal and Interest Requirements for each of such five Fiscal Years on account of all aviation revenue bonds theretofore issued under the provisions of the Trust Agreement and then Outstanding (other than the refunded bonds) and the proposed Refunding Bonds, as set forth in a certificate of the Aviation Director, shall not, in each such year, be less than 120%. *See* "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT– Issuance of Refunding Bonds" for a more complete discussion of the requirements for the issuance of Refunding Bonds.

[Bond Insurance

The payment of principal of and interest on the Series 2009 Bonds will be insured by the Municipal Bond Insurance Policies to be issued concurrently with the delivery of the Series 2009 Bonds by the Bond Insurers as described in this Official Statement. Holders of Series 2009 Bonds have agreed by acceptance of such Series 2009 Bonds that, so long as the Bond Insurers are not in default under their respective Municipal Bond Insurance Policies, the Bond Insurers will be treated as the holder of the Assured Guaranty Insured Bonds or the Financial Security Insured Bonds, as the case may be, for purposes of granting certain consents to amendments to the Trust Agreement, exercising remedies and exercising other rights on behalf of the holders of such Series 2009 Bonds.]

Funds and Flow of Funds

The Trust Agreement provides for the following funds and accounts:

(i) Construction Fund;

(ii) Revenue Fund;

(iii) Sinking Fund, including Bond Service Account, Reserve Account and Redemption Account;

(iv) Reserve Maintenance Fund; and

(v) Improvement Fund.

The amounts held in such Funds and Accounts are pledged to secure the holders of the Bonds.

The Trust Agreement provides for all Revenues to be collected by the County and deposited with the Co-Trustee to the credit of the Revenue Fund and to be held, invested and disbursed in accordance with the Trust Agreement.

Moneys in the Revenue Fund are to be applied first to the payment of Current Expenses as the same become due and payable in accordance with the Annual Budget for each Fiscal Year, subject to covenants of the County in the Trust Agreement that such expenditures are incurred in maintaining, repairing and operating Port Authority Properties.

After paying such Current Expenses each month and after reserving in the Revenue Fund an amount not to exceed 20% of the Current Expenses for the current Fiscal Year as shown in the Annual Budget (it being noted that the County complies with the provision by currently budgeting thirteen and one-half percent (13.5%) of its budgeted Current Expenses as an Operating Reserve), the Co-Trustee

shall, on the 20th day of each month, cause the balance of moneys in the Revenue Fund to be remitted to the Trustee and/or deposited to the credit of the following Accounts or Funds in the following order:

(i) to the credit of the Bond Service Account in the Sinking Fund held by the Trustee, an amount equal to 1/6th of the amount of the next interest payment on all Bonds Outstanding and (beginning with the twelfth month preceding the first maturity of any serial bond of a Series) an amount equal to 1/12th of the next maturing installment of principal of such serial bonds;

(ii) to the credit of the Redemption Account in the Sinking Fund held by the Trustee, an amount equal to 1/12th of the Amortization Requirement, if any, for such Fiscal Year for any term bonds then Outstanding, plus an amount equal to 1/12th of the premium, if any, which would be payable on the redemption date with respect to such Amortization Requirement if such principal amount of bonds should be redeemed on such date from moneys in the Sinking Fund;

(iii) to the credit of the Reserve Account in the Sinking Fund held by the Trustee, an amount equal to 1/60th of the Reserve Account Requirement until the Reserve Account Requirement (including amounts available under any Reserve Facilities) is met;

(iv) to the credit of the Reserve Maintenance Fund held by the Co-Trustee, the amount required during such Fiscal Year to equal the recommendation of Consulting Engineers in the report following inspection of the Port Authority Properties or such greater amount as directed by the Aviation Director, or by amendment to the Annual Budget, to pay for all or part of the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, the cost of replacing equipment and premiums on insurance required under the Trust Agreement; and

(v) to the credit of the Improvement Fund held by the Co-Trustee, the balance, if any, of moneys in the Revenue Fund after the aforementioned required deposits to the Bond Service Account, the Redemption Account, the Reserve Account and the Reserve Maintenance Fund, unless the County by resolution directs the Trustee to deposit all or part of such balance from the Revenue Fund to the credit of the Redemption Account.

If the amount so deposited in any month to the credit of any Account mentioned in clauses (i), (ii), and (iii) above shall be less than the required amount, 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 to the credit of any such Fund or Account in each month thereafter until such time as such deficiency shall be made up.

See "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

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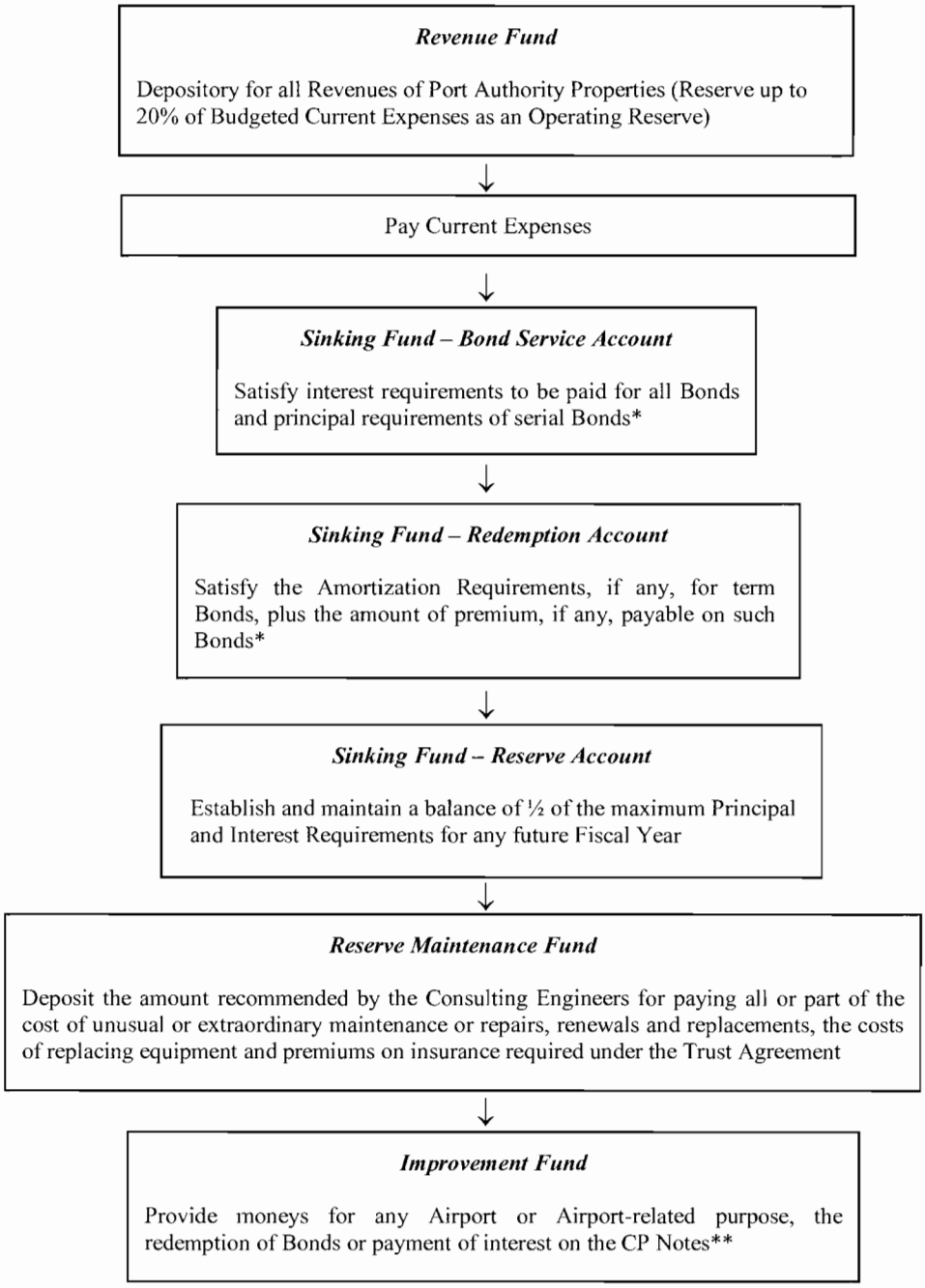
MONTHLY APPLICATION OF REVENUES UNDER THE TRUST AGREEMENT

PORT AUTHORITY PROPERTIES



Note: * Requirements payable from Revenues may be reduced to the extent such requirements are satisfied from other sources outside the Trust Agreement (*e.g.*, PFCs) set aside for such purpose.

** Certain moneys are transferred annually from the Improvement Fund to the Revenue Fund pursuant to the terms of the AUA. Such transferred deposits to the Revenue Fund are treated as Revenues under the Trust Agreement.

[MUNICIPAL BOND INSURANCE POLICIES]

[TO BE UPDATED]

DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM

Significant Events

The September 11, 2001 terrorist attacks, the conflicts in the Middle East, increased security requirements in air transportation, the continued threat of terrorist acts and related security cost increases, record fuel costs, and weaknesses in certain segments of the economy, have significantly and adversely impacted the air transportation industry. Many airlines have negotiated significant wage concessions with their employees, imposed lay-offs of employees, and reduced operating expenses in order to mitigate mounting financial losses. Certain airlines have filed for protection under the U.S. Bankruptcy Code. The County cannot predict how these factors will impact Revenues and the financial condition of the Airport. For further information regarding the financial condition and effect on operations of the airlines, including further information regarding the airlines' reported load and capacity factors, potential investors should refer to the statements and reports filed periodically by the airlines with the Securities and Exchange Commission. *See* "CERTAIN INVESTMENT CONSIDERATIONS" and "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

Despite the enactment of the Air Transportation Safety and System Stabilization Act and additional federal aid for the airline industry (*see* " – Federal Legislation" below), several Signatory Airlines filed for bankruptcy protection due, in part, to the events described in this section. Varig, Sun Country and Kitty Hawk Cargo are the only Signatory Airlines that remain in active bankruptcy proceedings. In addition, ATA Airlines, Primaris and Tradewinds, three Non-Signatory Airlines, have filed bankruptcy and have ceased or will cease operations at the Airport. It is possible that additional passenger or all-cargo air carriers, including Signatory Airlines and including some air carriers that have already gone through bankruptcy proceedings, will file for protection under federal bankruptcy laws. *See* "CERTAIN INVESTMENT CONSIDERATIONS – Uncertainties of the Airline Industry."

The Traffic Engineers have taken certain of these factors into account in their forecast of enplaned passengers for the Airport. As noted in their report, the degree by which the Traffic Engineers expect individual traffic segments to be affected at the Airport, and the duration of these effects, vary by segment. For an examination of the airlines' operations at the Airport and the relative presence of each airline at the Airport, *see* "REPORT OF THE TRAFFIC ENGINEERS" and "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

Federal Legislation

Following Congress' rejection of the Bush Administration's FAA reauthorization proposal entitled the Next Generation Air Transportation Financing Reform Act of 2007 ("NextGen Act"), the House and the Senate each introduced FAA reauthorization bills.

H.R. 2881, which was introduced June 27, 2007, was passed by the full House of Representatives on September 20, 2007. The House bill raises the PFC cap to $7.00 per enplaned passenger from the current $4.50 per enplaned passenger. The House bill also authorizes funding for the Airport Improvement Program ("AIP") at $3.8 billion in the first year of the four year authorization and raises this level by $100 million each subsequent year to $4.1 billion by federal fiscal year 2011. (Note: The federal

fiscal year is the same as the County's fiscal year.) The AIP provides federal grants to airports for airport development and planning, including planning and construction of runways, taxiways or other airport facilities, and is a major source of airport capital development funding. For General Aviation ("GA"), the House bill increases the GA jet fuel tax from 21.8 cents to 35.9 cents per gallon and increases the GA gas tax from 19.3 cents to 24.1 cents per gallon. The House bill also contains labor language concerning arbitration rights for Air Traffic Controllers, which raised a Presidential veto threat.

The Senate FAA reauthorization bill, S. 1300, was introduced by the Senate on May 3, 2007 and was recommended by the Senate Committee on Commerce, Science and Transportation for consideration by the Senate as a whole. This Senate bill has no PFC cap increases, maintaining the current $4.50 per enplaned passenger cap. However, this Senate bill does include a fee of $25 per filed flight plan to fund air traffic control modernization. While both the House bill and this Senate bill include AIP funding increases, including increases in the minimum amount of discretionary AIP funding from $148 million to $520 million, the House bill would have a greater effect on large airports like MIA because of the increase of the PFC cap to $7.00 per enplaned passenger.

As of September 30, 2008, Congress had failed to pass an FAA Reauthorization bill, but did pass an extension of AIP grants and FAA programs through a continuing resolution. Aviation excise taxes and programs have been funded through the end of March 2009 and the Transportation Department and other federal agencies have been funded through March 6, 2009. The continuing resolution will provide the FAA with approximately $1.5 billion in AIP funds, allowing the agency to distribute AIP funds to airports early in 2009. For entitlement funding, airports should be eligible to receive slightly less than 50 percent of their entitlements since the continuing resolution funds the FAA from October 1, 2008 through March 6, 2009 – or less than half of the fiscal year. The FAA also plans to distribute some discretionary funding to meet its Letter of Intent obligations. The remaining AIP funds for Fiscal Year 2009 should be made available after Congress appropriates a full year's worth of funding for FAA and passes a multi-year FAA reauthorization bill or another FAA extension.

With a new Administration and Congress starting up in 2009, the FAA Reauthorization legislation has to be re-introduced anew in the legislative process.

For a discussion on Department of Homeland Security legislation, *see* " – Airport Security" below.

Airport Security

Since 2001, various legislative and regulatory requirements have imposed substantial additional costs on the Airport relating to security matters. Certain of these requirements are discussed below. The operating budget for security at MIA has been increased from $13.6 million in Fiscal Year 2008 to $14.7 million in Fiscal Year 2009, reflecting both inflation and new security requirements. While the Aviation Department has contemplated some of the costs of such requirements in the Airport's current budget, certain of the requirements discussed below may impose costs not currently reflected in the Airport's budget.

The Federal Aviation and Transportation Security Act ("ATSA") was enacted as a result of the September 11, 2001 terrorist attacks. This legislation makes airport security the responsibility of the Transportation Security Administration (the "TSA"), which is an administrative agency currently within the United States Department of Homeland Security ("DHS"). The Homeland Security Act of 2002 (Public Law 107-296) (the "HSA") and subsequent directives issued by DHS called for, among other things, stronger cockpit doors on commercial aircraft, an increased presence of armed federal marshals on commercial flights, establishment of 100% checked baggage screening, and replacement of all passenger

and baggage screeners with federal employees who must undergo criminal history background checks and be U.S. citizens. Although airports have the option of "opting out" of using federal screeners and contracting with TSA-approved private screening companies, MIA (like most large hub airports) has opted to utilize TSA screeners. Airports may continue to use state or local law enforcement personnel and airport employees to provide security services not related to passenger or baggage screening. Under ATSA, the federal government pays for the federal security screening services by charging passengers a security service fee of $2.50 per departure or connection, not to exceed $5.00 per one-way trip, which is collected by air carriers and remitted to the federal government. To the extent that such fees are deemed to be insufficient by the TSA, ATSA has authorized the imposition on air carriers of an Aviation Security Infrastructure Fee.

ATSA also mandates that certain airport security measures be undertaken, including: (i) screening or inspection of all individuals, goods, property, vehicles and equipment before entry into a secured area of the airport, (ii) security awareness programs for airport employees, (iii) screening all checked baggage for explosives with explosives detection systems ("EDS") or other means or technology approved by the Undersecretary of the United States Department of Transportation, (iv) deployment of sufficient EDS for all checked baggage, and (v) operation of a system to screen, inspect or otherwise ensure the security of all cargo to be transported in all-cargo aircraft. EDS equipment purchased by the federal government has been installed at the Airport. In some cases, installation of EDS equipment necessitated structural modifications to the Terminal Building. Substantially all of the costs of those modifications and the installation were borne by the TSA during the initial deployment.

Due to a lack of TSA funding, airports currently often bear the cost of design, construction, and installation of automated in-line baggage screening systems and passenger screening checkpoints to meet the specifications that the TSA screening process requires for operation at full design capacity. However, TSA has adopted a policy of partial reimbursement at a rate of 75 - 90% on a year-by-year basis, to offset some of the cost of required improvements, subject to certain qualifications. At MIA, TSA has committed or paid $20 million of the estimated $29 million cost of the South Terminal project and $54.4 million of the estimated $78 million cost of the North Terminal.

In August 2007, the President signed P.L. 110-53, the 9/11 Commission Recommendations Act (the "9/11 Legislation"), requiring DHS to expand its Model Ports of Entry Program to the 20 airports with the greatest average annual number of arriving foreign visitors, which includes MIA. This program focuses on ways to improve the arrival experience of international passengers at airports, including employment of queue management techniques, a Welcome to America video, improved signage and customer service training. [The Fiscal Year 2008 omnibus appropriations bill, which includes funding for DHS, provides $40 million for the Model Ports of Entry Program, as well as funding for 200 additional CBP officers at the 20 airports selected for the Model Ports of Entry Program.]

In 2008, DHS launched the Global Entry Program, a new program managed by U.S. Customs and Border Protection (CBP) which allows pre-approved, low-risk travelers expedited clearance upon arrival into the United States. Participants will enter the United States by utilizing automated kiosks located in the Passport Control area. This program is available to U.S. citizens and legal, permanent residents and there is a $100 fee for a five-year registration. Global Entry is now available at Washington Dulles, Houston, New York, Los Angeles, Chicago, Atlanta and Miami. This program has the potential to reduce congestion in MIA's busy Passport Control facilities.

In addition to the aforementioned security requirements resulting from the ATSA and subsequent legislation, the TSA has issued additional unfunded mandates through TSA security directives. These include: (i) transmittal to the TSA of personal information on all employees holding an airport-issued identification badge for the performance of Security Threat Assessment ("STA") and retrieval of STA

results prior to issuing badges and other forms of identification, (ii) performance of inspections of all vendors and vendor products entering the secured areas of the airport, and (iii) reduction of the number of airport employees authorized to escort visitors in the secured areas. Thus far, the Airport has been able to meet these requirements without significant financial or operational impact. However, the Aviation Department anticipates that there will be additional unfunded security directives that may have a greater financial effect. These include controlling access at the passenger screening exit lanes, which is currently a function of the TSA; employee screening; and the implementation of biometrics as part of the Airport's access control system. Although the Aviation Department cannot determine the costs that will be imposed by any such mandates, it believes that those related to employee screening will be substantially mitigated by the fact that the Airport has required screening of its employees since 1999.

Airport security programs have also been affected by additional requirements resulting from the construction of the North Terminal. In particular, the Aviation Department has increased operations within the ID and Fingerprint sections to vet construction workers, expanded the hours of operation at vehicle access gates and has increased physical screening operations. Additionally, any elevation of the national threat advisory level (currently at Code Orange) would impose significant additional law enforcement costs on the Aviation Department.

International Visitors

To mitigate the overcrowding in the Federal Inspection Services ("FIS") facility and the security checkpoints, TSA and the United States Customs and Border Protection ("CBP") were authorized to hire additional staffing. CBP hired more than 100 additional officers who began servicing the FIS on March 15, 2006, while TSA improved its recruiting with more attractive programs for part-time employees. Furthermore, the Aviation Department in conjunction with CBP, decreased the FIS wait time for arriving international passengers by restructuring existing facilities in Concourse F for international passenger processing and reopening existing processing facilities in the Concourse E Satellite Building. These changes doubled the number of FIS facilities from two to four and increased the number of processing lanes from 65 to 114. This reduced the average wait time from 48 minutes in June 2005 to 15 minutes in June 2008.

South Terminal features a new state-of-the-art FIS, which opened on September 14, 2007, with 40 CBP processing lanes and a processing capacity of 2000 passengers per hour. The Aviation Department also expects that wait times will be reduced further in 2011 with the completion of 50 international-capable gates and 72 CBP processing lanes in the North Terminal.

Air Cargo Security

Following the implementation of enhanced security procedures for passengers, the TSA began a comprehensive review of cargo security under the auspices of the Aviation Security Advisory Committee ("ASAC"). The review process involved three Air Cargo Security Working Groups. The first, the Shipper Acceptance Group, addressed strengthening the "Known Shipper" guidelines; the second, the Indirect Air Carriers and Freight Forwarders, examined operating practices and chain of custody issues for customs brokers and freight forwarders; and the third, Securing the All-Cargo Aircraft, focused on airport perimeter security issues. The groups met for the first time on April 29, 2003. Their findings were presented to ASAC on October 1, 2003 (the "ASAC Report").

The recommendations of the first two groups were primarily focused on process and the implementation of administrative controls before goods reach the aircraft. Based on initial industry feedback, the proposed modifications did not represent changes that would have a material impact on domestic or international air cargo volumes, although the processing time for cargo from shipper to

aircraft has been extended. The third group's results addressed perimeter security and protection of the areas where freighter aircraft would be parked.

As a result of the ASAC Report, a final rule on air cargo security was issued by the TSA in May 2006 requiring the consolidation of approximately 4,000 known shipper lists into one central database managed by the TSA, allowing the TSA to have more in-depth vetting of known shippers. The rule also extends secure areas of airports to include ramps and cargo facilities and requires an additional 50,000 airline employees nationwide, including approximately 500 at MIA, to receive full criminal history background checks, which has limited the flexibility of some cargo operators to hire temporary workers to assist with their peak, seasonal operations.

The 9/11 Commission Recommendations Act (described above) includes a mandate that DHS develop a system to inspect 50% of all cargo transported on commercial passenger aircraft by February 2009 and 100% of all cargo aboard passenger planes are to be screened within 3 years of enactment (August 2010). This legislation mandates specific detection systems but permits TSA to approve additional methods of screening and to provide exemptions in limited circumstances. The TSA is utilizing several approaches to ensure compliance with the law's milestones. Effective October 1, 2008, TSA required air carriers to screen 100% of all cargo loaded on narrow body passenger aircraft. Air carriers at the Airport were able to meet this requirement without significant impact on operations. However, a greater effect on air carrier operations is expected once the 50% and 100% cargo screening on all passenger aircraft are required. TSA believes that the most effective means to mitigate the impact on air carriers and commerce is to employ a "supply chain wide solution." Under the TSA's Certified Cargo Screening Program (CCSP), TSA will certify shippers and Indirect Air Carriers to screen cargo earlier in that chain. The Airport has been selected to participate in phase one of the CCSP program, which is expected to be rolled out during the fourth quarter of 2008. To further assist with meeting this congressional mandate, the TSA has initiated an explosive detection canine program at the Airport dedicated to cargo screening. The Miami-Dade Police Department's Canine Unit also dedicates 25% of their operations screening cargo. Lastly, the Airport's primary air carrier, American Airlines, is participating in a TSA pilot program to screen cargo utilizing explosive detection screening equipment.

Considering the above-mentioned programs, Airport management believes that the Airport is well positioned to meet the cargo screening requirements imposed by the 9/11 Commission Recommendations Act. A Cargo Security Consortium, which includes all concerned agencies and business partners, has been implemented at the Airport. The Consortium meets quarterly to discuss security issues and regulatory requirements. The TSA both locally and from headquarters has been actively communicating with the industry to provide air carriers with various options to meet the legislative mandates and minimize the impact on the industry and the flow of commerce.

CERTAIN INVESTMENT CONSIDERATIONS

General

The Trust Agreement authorizes the payment of the principal of and interest on the Series 2009 Bonds from Net Revenues. The ability to pay debt service on the Series 2009 Bonds will depend upon a number of factors, including the financial condition, results of operations and financial outlook for the Airport and the County, the condition of the air transportation industry generally, and the adequacy of Net Revenues pledged to pay debt service on the Series 2009 Bonds.

No assurance can be given with respect to the levels of aviation activity that will be achieved at the Airport in future fiscal years. Future traffic at the Airport is sensitive to a variety of factors including (i) economic conditions resulting from the level of national and international economic growth;

(ii) international trade; (iii) currency values; (iv) the nature of domestic airline service and the effect of deregulation on competition; (v) the extent to which airline service is affected by the demand generated by specific airport markets and, in certain instances, the level of connecting passenger activity (hubbing); (vi) the level of airline fares, which has a significant impact on passenger traffic; (vii) airport capacity, which has been affected by significant growth in certain air passenger markets; and (viii) disruption caused by airline incidents, acts of war, and terrorism. Other factors that may reduce revenues of airlines serving the Airport include, without limitation, declining demand; service and cost competition; the availability and cost of fuel and other necessary supplies; high fixed costs; high capital requirements; the cost and availability of financing; technological changes; the cost and availability of employees; strikes and other employee disruptions; the maintenance and replacement requirements of aircraft; insurance costs; litigation liability; federal government regulation and deregulation; environmental risks and regulations; noise abatement concerns and regulation; and federal and state bankruptcy and insolvency laws. Some or all of these factors have combined to reduce profits materially and to cause significant losses to all but a few airlines. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM."

Cost of Aviation Fuel

According to the Air Transport Association, aviation fuel is the second largest cost component of airline operations after labor costs and continues to be an important and uncertain factor in an air carrier's operating economics. Aviation fuel prices tend to fluctuate with crude oil prices. In recent years, some U.S. airlines have attempted to pass the higher fuel costs to consumers by increasing the fuel surcharge or increasing the price of airfares. Despite these efforts, the significant and prolonged increases in the cost of aviation fuel have had an adverse impact on the air transportation industry by increasing airline operating costs, hampering airline financial recovery plans and reducing airline profitability. *See* " – American Airlines" below, "REPORT OF THE TRAFFIC ENGINEERS" and "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS." The Aviation Department is unable to predict how continued uncertainty with respect to the cost of aviation fuel will impact the Airport or the airlines operating at the Airport.

Airline Economic Considerations

The financial strength and stability of airlines serving the Airport may affect future airline traffic. Accordingly, no assurance can be given as to the levels of aviation activity that will be achieved at the Airport. It is reasonable to assume that any significant financial or operational difficulties incurred by American Airlines, the predominant airline servicing the Airport, could have a material adverse effect on the Airport, although financial or operational difficulties by any of the other Signatory Airlines may also, whether directly or indirectly, adversely affect Revenues or Airport operations.

While the airline industry overall was profitable in both 2006 and 2007, it suffered substantial losses in the previous five years [and in 2008]. To mitigate these losses, all legacy airlines have reduced their route networks and flight schedules and negotiated with employees, lessors and vendors to cut costs, either under Chapter 11 bankruptcy protection or the threat of such. Additional losses could force airlines to further retrench, seek bankruptcy protection, discontinue marginal operations, or liquidate. The restructuring or liquidation of one or more of the large network airlines would drastically affect air service at many connection hub airports, present business opportunities for the remaining airlines and change air travel patterns throughout the U.S. aviation system.

In addition to restructuring or liquidating, some airlines are considering mergers to address the current economic uncertainties. Delta Air Lines and Northwest Airlines have merged. This combination creates the world's largest airline measured by enplaned passenger traffic. It has been reported that the

combined carrier will reduce its annual costs by more than $1 billion as a result of better aircraft utilization, reduced overhead and an enhanced route system. Thus, airline industry experts believe that additional mergers are likely as airlines seek ways to reduce costs. The Aviation Department is unable to predict the impact of any such consolidation in the airline industry.

American Airlines

American Airlines uses the Airport as a major connecting hub within its route system. American Airlines and American Eagle accounted for approximately 68% of the enplaned passengers at the Airport and approximately 35% of the Revenues, during the fiscal year ended September 30, 2008.

AMR Corporation ("AMR"), the parent company of American Airlines, reported a net loss of $359 million for the third quarter of 2008, compared with a net profit of $175 million for the third quarter of 2007. AMR stated that aviation fuel prices contributed significantly to its third quarter 2008 losses, with the company paying $1.1 billion more for fuel in the third quarter of 2008 than it would have paid at prevailing prices from the prior year period. AMR paid $3.57 per gallon for aviation fuel in the third quarter of 2008 compared with $2.17 per gallon in the third quarter of 2007, a 64% increase. Additional financial information regarding AMR and American Airlines may be obtained from reports filed by AMR with certain federal agencies and from other publicly available sources. *See* " – Additional Information on Airlines" below.

In 2004, American Airlines restructured its hub operations at the Airport, which made it more efficient, increased its on-time dependability and provided customers with a wider choice of flights. In particular, American Airlines spread its operations more evenly at the Airport by increasing the number of daily flight banks to thirteen from seven, and in so doing, the airline has operated more flights in and out of the Airport using fewer aircraft, thereby increasing the hub's efficiency and assisting in the airline's overall objective to lower costs. American Airlines also has reduced its airfares in recent years in order to more effectively compete with the low costs carriers. Notwithstanding such restructuring, there is no assurance that American Airlines will not be forced to seek bankruptcy protection at some point in the future.

In November 2007, AMR announced that it plans to sell or spin off its subsidiary, American Eagle. American Eagle's operations at the Airport accounted for approximately 4.28% of total enplaned and deplaned passengers during the Fiscal Year ended September 30, 2008. The Aviation Department does not believe that any such sale or other disposition will materially affect passenger volume or service at the Airport, since the Aviation Department believes that the service currently provided by American Eagle reflects passenger demand that American Eagle and/or other carriers will continue to meet. Also, it is unclear at this time if the sale will advance based on current market conditions.

[On May 21, 2008, American Airlines announced plans to reduce its capacity by as much as 12% by the fourth quarter of 2008. However, American Airlines has not released specific details regarding the proposed capacity reduction. As a result, the Aviation Department is unable to predict the impact of any such capacity reduction on the Airport.]

Competition

[The Airport has competition for domestic and international passengers. The closest competing airport, and MIA's biggest competitor for domestic Origin and Destination ("O&D") traffic, is Fort Lauderdale-Hollywood International Airport ("FLL"). Over the last ten years, the number of average daily departing seats on jet flights to key markets decreased significantly at MIA while increasing sharply at FLL. FLL also has substantially more low cost carrier service than MIA. The average domestic one-

way fare gap between domestic fares paid at MIA and FLL, however, narrowed from $46 in Fiscal Year 2001 to $28 in Fiscal Year 2007. These trends in domestic service and fares largely account for the market share decline in domestic O&D passengers at MIA from 54.8% of the South Florida region in Fiscal Year 1996 to 34.1% in Fiscal Year 2007. In the three most recent fiscal years, FLL averaged 4.3 million more outbound domestic O&D passengers per year than MIA.]

[In addition, a small but growing share of international air passengers who originate or terminate their air travel in South Florida use FLL.] For passengers traveling between other parts of the United States and international destinations, mostly in the Caribbean and Latin America, there are an increasing number of alternative routings, both nonstop flights and connecting services, via other U.S. gateway airports. For a further discussion of such competition, see "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

Uncertainties of the Airline Industry

General

The ability of the County to derive Revenues from its operation of the Airport depends on many factors, some of which are not subject to the County's control, including the overall condition of the airline industry. Revenues may be affected by the ability of the Signatory Airlines, individually and collectively, to meet their obligations under the AUA.

As a result of the present condition of the airline industry, bankruptcy filings and liquidations or major restructurings by members of the airline industry have occurred and future bankruptcy filings remain possible. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – Significant Events" and " – Airline Bankruptcies" below. In addition, individual airline decisions regarding level of service, particularly hubbing activity at the Airport[, together with the unwillingness of certain potential passengers to fly because of actual and potential terrorist attacks,] will affect total enplanements. There is no assurance that the Airport, despite a demonstrated level of airline service and operations, will continue to maintain such levels in the future. Future airline traffic at the Airport will be affected by, among other things, the growth or decline in the population and the economy of the Airport's service region, national and international economic conditions, acts of war and terrorism, federal regulatory actions, airline service, air fare levels and the operation of the air traffic control system. *See* "AIRPORT TRAFFIC ACTIVITY."

Possible Effects of Airline Bankruptcies on the Airport

Airlines using the Airport may file for protection under U.S. or foreign bankruptcy laws, and any such airline (or a trustee on its behalf) would have the right to seek rejection of any executory airport lease or contract within certain specified time periods after the filing, unless extended by the bankruptcy court. During the pendency of a bankruptcy proceeding, a debtor airline using the Airport typically may not, absent a court order, make any payments to the Aviation Department on account of services or use of airport facilities provided to the airline prior to bankruptcy. Thus, the Aviation Department's stream of payments from a debtor airline may be interrupted to the extent such payments are for pre-petition services to, and use of the airport facilities by, airlines in bankruptcy, including any accrued rent, Landing Fees, aviation fees, and PFCs.

Rejection of any executory lease or contract by a debtor in bankruptcy is typically sought to avoid long-term commitments, unusual contract terms, or high fixed fees. Terminal Building leases at the Airport have traditionally a maximum term of five years, subject to cancellation upon 30 days' notice; they have also required the airlines to pay the annually-adjusted level of rents and other charges for their

use of the Terminal Building, so little is gained by an airline's rejecting such an agreement to avoid having to pay Airport fees contained in such agreements if the airline intends to keep operating at the Airport. [The Terminal Building leases expired in 2007 and are under negotiation for renewal.] The AUA sets forth the conditions under which an airline can operate at the Airport and, like the Terminal Building leases, requires the airlines to pay the annually-adjusted level of rents and landing fees, and other aviation charges for their use of the Airport, based on level of activity. The AUA also contains a credit program that permits airlines to avoid having to pay in cash each time they land at the Airport if they self-report and self-pay their landing fees in the month following the month in which the charges are incurred. Accordingly, it is not expected that an airline having filed for bankruptcy but desiring to continue operating at the Airport would seek rejection of the AUA, and to date, with the exception of one minor airline, none of the Signatory Airlines that have filed for bankruptcy protection has done so. There can be no assurance, however, as to whether any airline in bankruptcy will seek to avoid its obligations under the AUA, but even if an airline should do so, the airline is required under the regulations of the County to pay activity-based charges for the airline's continued use of the Airport. Chapter 11 bankruptcy in and of itself does not necessarily dictate air service market decisions for an air carrier; however, it is one of many factors that airline management considers in making its future air service decisions. *See* "SECURITY FOR THE SERIES 2009 BONDS – Airline Use Agreement" and "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT."

Airline Bankruptcies

For information on the financial conditions of the airlines, potential investors may refer to the most recent filings of the airlines with the Securities and Exchange Commission. *See* "– Additional Information on Airlines" below.

Effect of Bankruptcies on PFC Collections

A portion of the funding for the CIP will come from PFC revenues. Although PFCs are not pledged to the payment of the Bonds, the Aviation Department anticipates depositing PFC revenues which have been collected into the Sinking Fund's Bond Service Account and Redemption Account, each year to reduce Principal and Interest Requirements on the Bonds. *See* "SECURITY FOR THE SERIES 2009 BONDS – Rate Covenant," and "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS." See "FUNDING SOURCES FOR THE CIP – Passenger Facility Charges" for a discussion of certain factors relating to restrictions on the use and imposition of PFCs and how certain factors may reduce the amount of PFCs collected at the Airport. There can be no assurance that collections of PFCs will not be adversely affected by such matters as decreased air travel or changes in federal regulations, or other factors affecting the airline industry discussed herein.

Pursuant to the Aviation Safety and Capacity Expansion Act of 1990 (Public Law 101-508) and the Aviation Investment and Reform Act for the 21st Century (Public Law 106-181) (collectively, the "PFC Enabling Acts"), PFCs collected by the airlines constitute a trust fund held for the beneficial interest of the "eligible agency" (the airport) imposing the PFC, except for any handling fee or retention of interest collected on unremitted proceeds. In addition, federal regulations require airlines to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds for financial statement reporting requirements. The airlines, however, are permitted to commingle PFC collections with other revenues and also are entitled to retain interest earned on PFC collections until such PFC collections are remitted to the airports. If an airline is in liquidation or bankruptcy proceedings, however, it is prohibited from commingling PFC collections with other revenues. The airlines are statutorily prohibited from granting a security interest in PFC collections to a third party.

In 2003, Congress passed the Vision 100 - Century of Aviation Reauthorization Act (Public Law 108-76) (the "Vision 100 Act"), which, among other things, required any airline that filed for bankruptcy protection, or that had an involuntary bankruptcy proceeding commenced against it, to segregate PFC revenue in a separate account for the benefit of the eligible agencies entitled to such revenue. Prior to the amendment of the PFC Enabling Acts that mandated PFCs collected by the airlines to constitute a trust fund and prior to the passage of the Vision 100 Act, at least one bankruptcy court had indicated that PFC revenues held by an airline in bankruptcy would not be treated as a trust fund and would instead be subject to the general claims of such air carrier's unsecured creditors. In connection with another bankruptcy proceeding after the PFC Enabling Acts and prior to the passage of the Vision 100 Act, a different bankruptcy court entered a stipulated order establishing that PFCs be set aside in a trust fund for the benefit of various airports. On February 1, 2006, the FAA issued a Notice of Proposed Rulemaking that would amend 14 C.F.R. Part 158 to incorporate the Vision 100 Act requirements into the regulations. On May 23, 2007, the proposed rulemaking for Section 158.49 of Part 158 became final to provide for the trust fund status of PFCs as well as to provide that at least once every day, airlines in bankruptcy must sweep their revenue accounts to transfer PFC revenues into a PFC account. While the final regulations should provide some protection for creditors in connection with PFC revenues collected by an airline in bankruptcy, no assurances can be given as to the approach bankruptcy courts will follow in the future.

International Economic Impact

During the 1990s, the Airport experienced increased international passenger and cargo volume, and such international activity has become an increasingly important aspect of the Aviation Department's revenues. However, since 1996, the growth in international passengers has been flat, some of which has been caused by the economic decline in the Central and South American countries. *See* "AIRPORT TRAFFIC ACTIVITY" and "AVIATION DEPARTMENT FINANCIAL INFORMATION – Historical Financial Results." Recent changes in the global economy may impact the Airport's future traffic patterns. The Airport has also experienced increasing competition for both domestic and international passenger traffic from other regional and international gateway airports in recent years. Federal legislation may also affect the Airport's international passenger volume. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – International Visitors."

See "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS" for a more detailed discussion of the effect of these factors on the long-term traffic activity at the Airport.

Aviation Security Concerns

Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of the threat of additional terrorist attacks, may influence the demand for passenger air travel. Travel behavior may be affected by anxieties over the safety of flying and by the inconveniences and delays associated with more stringent security screening procedures, both of which may give rise to the avoidance of air travel generally and the selection of surface travel over air travel. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – Airport Security." To mitigate the inconvenience of the security screening procedures, the Aviation Department has increased the number of passenger screening lanes. In addition, the Aviation Department has implemented a checkpoint reconfiguration plan in coordination with the TSA that has increased the efficiency of screening procedures, thereby reducing wait times. TSA reduced its passenger screening staffing levels during the first quarter of Fiscal Year 2008, but with innovative use of staffing including increasing part-time personnel, passenger checkpoint wait times have substantially improved.

The Airport is also in the process of moving baggage screening operations behind the scenes, providing fully automated screening systems that are integrated with the Airport's baggage conveyor system. The first of these systems recently became operational within the Airport's South Terminal, which serves 19 air carriers. Construction to improve baggage screening operations within the Airport's North Terminal that will serve American Airlines and its "oneworld Alliance" is currently underway. In September 2008, TSA entered into a $54.5 million Other Transaction Agreement (OTA) with the Airport for reimbursement of MDAD expenses incurred for the installation of the North Terminal In-line Explosives Detection System (EDS).

Because of the impact on airport operations of procedures mandated under "Code Orange" (high) and "Code Red" (severe) national threat levels declared by the DHS under the Homeland Security Advisory System, there is the potential for significantly increased inconvenience and delays at many airports, including the Airport.

Matters Relating to CIP

The CIP is a large and complex undertaking, and a number of factors may adversely affect both its cost and the schedule for its completion. *See* "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM" generally as well as the subsection therein " – Cost Increases, Claims, Schedule Delays, Disputes with Contractors and Other CIP Risks."

North Terminal Program Cost Overrun and Schedule Delays

The North Terminal Program has experienced substantial cost overruns and schedule delays. *See* "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM – Terminal Facilities Programs – North Terminal Program."

Environmental Liabilities

For a discussion of the environmental liabilities of the Aviation Department, see "LITIGATION – Aviation Environmental Matters."

Airport Insurance

General Liability

The County maintains third party liability insurance coverage for bodily injury and property damage arising from aviation operations at all of its airports. Coverage is limited to $500 million per occurrence, with a self-insured retention of $50,000 per occurrence, for a total annual retention aggregate of $500,000. War risk liability is included in the program with a limit of $150 million per occurrence and in the aggregate.

The general liability self-insurance program is administered by the County's General Services Administration Department – Risk Management Division. The program complies with and is subject to the limitations of Florida Statutes, Section 768.28, regarding claims against governmental bodies.

Property Insurance

The property of the Aviation Department is insured under the countywide master program (the "Countywide Master Program") that covers most County properties subject to policy terms and conditions. The program is for real and personal property, including boiler and machinery insurance,

flood insurance, and related loss prevention services. The property insurance coverage limit is $400 million countywide with a $5 million deductible per occurrence for most perils. However, the property insurance coverage limit for damage caused by a named windstorm is $200 million countywide after giving effect to the $200 million deductible per occurrence for named windstorms. The County maintains no specific reserve fund for any potential deductible obligation and has in the past met its deductible exposure from operating funds, FEMA grants and other available sources. The sub-limit for flood is $50 million. Terrorism coverage is included in the program with a limit of $100 million for certified acts as prescribed by the Terrorism Risk Insurance Act ("TRIA") passed by Congress in November 2002. Coverage is also included for non-certified acts subject to a limit of $100,000,000. A $5 million deductible per occurrence applies. Property within the Airport System that is currently insured under the Countywide Master Program is valued at approximately $3.2 billion, which does not include Airport System property that is under construction. The Business Interruption limit for the Airport System is currently scheduled at $192 million. The current Countywide Master Program, which was renewed in May 2008, will expire in May 2009.

The South Terminal Expansion Project, including Concourse J, is covered by a separate property insurance policy which was renewed August 2008, for a 20-month period that will have a consistent renewal date with the Countywide Master Program (May 2010). Separate property insurance was purchased for this property with a Total Insured Value of $660,000,000. The sub-limits are $50,000,000 per occurrence for Named Storm related perils, and $10,000,000 per occurrence and annual aggregate for Flood. The deductible for most perils is $5 million per occurrence (including Non-Named Windstorms). The flood deductible is as follows: 5% of the Total Insured Value (TIV) on file with the insurance company for all locations involved in a loss, subject to a minimum $5,000,000 any one occurrence for locations wholly or partially within special Flood Hazard Areas, areas of 100 year-flooding, as defined by the Federal Emergency Management Agency, 5% of the TIV at each location involved in loss or damage, subject to a minimum of $5,000,000 any one occurrence for Named Storms, (a storm that has been declared by the National Weather Service to be a hurricane, typhoon, tropical cyclone or tropical storm), 5% of the TIV at each location involved in loss or damage for all other flood loss, subject to a minimum of $25,000 any one occurrence and a maximum of $5,000,000 any one occurrence. The Named Storm deductible is 5% of the total values at each location involved in the loss or damage, subject to a minimum $20,000,000 any one occurrence.

The North Terminal, which is currently under construction, is insured under a builder's risk policy. The coverage under the builder's risk policy is $50 million with a 5% deductible for named windstorms. The deductible for flood under the builder's risk policy is $250,000 and the deductible for other perils is $50,000. The total value of the construction projects associated with the NTP is estimated at over $600 million.

In advance of the expiration of its insurance policies, the County evaluates coverage and premium costs for renewing these policies or obtaining replacement policies. There is no assurance that the same insurance coverages or policy limits will be available or obtained by the County in the future, or that the premiums therefore will not increase.

Report of Insurance Consultant

The County has covenanted in the Trust Agreement to maintain a practical insurance program, with reasonable terms, conditions, provisions and costs which the Aviation Director determines, with the approval of an independent risk management consultant ("Insurance Consultant"), will afford adequate protection against loss caused by damage to or destruction of all or any part of the Port Authority Properties and also such comprehensive public liability insurance on such properties for bodily injury and property damage and in such amounts as may be approved by the Insurance Consultant. *See*

"APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Insurance."

In its Trust Report and Insurance Program Review dated March 26, 2008 (the "Insurance Review"), the Insurance Consultant concluded that the Aviation Department's then current insurance program complies with the requirements of Section 706 of the Trust Agreement with the exception of unrated insurers for the North Terminal builder's risk insurance. This issue was resolved and endorsements were issued to the policy clarifying the proper insurers' ratings. The Insurance Review states that it is not clear whether property in the course of construction qualifies as Port Authority Properties. The Insurance Consultant concluded that the property insurance currently purchased by the Aviation Department is practical and reasonable for the current Florida property insurance market; however, the amount of property insurance may be inadequate to cover damage arising out of a catastrophic event.

The Insurance Consultant has also identified certain priority issues regarding the Countywide Master Program as it relates to the Port Authority Properties under the Trust Agreement. The priority recommendations relating to the Countywide Master Program include: (i) providing separate coverage for the Airport System properties; (ii) further increasing the countywide property insurance limits [limits have been increased by $25 million to a total of $400 million since the report was issued in March 2008]; (iii) decreasing the named windstorm deductible; and (iv) increasing the limit of terrorism coverage for non-certified acts of terrorism. All such priority recommendations are subject to the availability of such recommended coverage at reasonable costs. The Aviation Director has forwarded the Insurance Review to the Trustee and Co-Trustee as a part of the annual insurance report required by the Trust Agreement. While the County believes, based in part on the Insurance Review, that it is currently in compliance with its insurance covenant under the Trust Agreement, it recognizes that it still needs improvements in its insurance program.

Representatives of the County, the General Services Administration and the Aviation Department continue to explore practical measures to address the concerns and recommendations of the Insurance Consultant. These measures include reducing the property insurance deductible, investigating other means to secure the deductible, and developing a plan for the allocation of property loss recoveries between the Airport System and other County properties. Neither the County nor the Aviation Department can, however, give any assurances that it will be practical to improve the insurance program to meet all the concerns and recommendations of the Insurance Consultant, within reasonable terms, conditions, provisions and costs.

On an annual basis, the County requests that the Office of Insurance Regulation of the Florida Department of Financial Services review the adequacy of coverage under the Countywide Master Program. The Office of Insurance Regulation determines either (i) that the Countywide Master Program is adequate because coverage was "reasonably available," or (ii) that the Countywide Master Program is not adequate because coverage was "reasonably available." If the Office of Insurance Regulation determines the Countywide Master Program is not adequate, the County has to acquire additional coverage or provide the Office of Insurance Regulation with a reasonable basis for not obtaining such coverage. The General Services Administration has requested this review by the Office of Insurance Regulation for the Countywide Master Program renewed in May 2008, and the South Terminal property policy issued in August 2008.

Additional Information on Airlines

Certain of the Signatory Airlines (see "SECURITY FOR THE SERIES 2009 BONDS – Airline Use Agreement") and other airlines operating at the Airport (or their respective parent corporations) are

subject to the information reporting requirements of federal securities laws, and in accordance therewith file reports and other information (collectively, the "SEC Reports") with the SEC. Certain information, including financial information, as of particular dates, concerning each airline (or their respective parent corporations) is included in the SEC Reports. The SEC Reports can be inspected in the Public Reference Room of the SEC at 450 Fifth Street, N.W., Washington, DC 20549, and at the SEC's regional offices at 500 West Madison Street, Suite 1400, Chicago, Illinois 60661 and 233 Broadway, New York, New York 10279, New York, New York 10048. Copies of the SEC Reports can be obtained from the SEC's Public Reference Section at the above address at prescribed rates, or at www.sec.gov.

In addition, each Signatory Airline and certain other airlines are required to file periodic reports of financial and operating statistics with the United States Department of Transportation. Such reports can be inspected at the following location: Office of Airline Statistics, Research and Special Programs Administration, Department of Transportation, Room 4201, 400 Seventh Street, S.W., Washington, DC 20590, and copies of such reports can be obtained from the Department of Transportation at prescribed rates. The foreign airlines also provide certain information concerning their operations and financial affairs, which may be obtained from the respective airlines.

Additional information regarding the bankruptcy proceedings of any airline in bankruptcy can be obtained from the bankruptcy court in which the bankruptcy proceeding is filed. Neither the Underwriters, the County, nor the Aviation Department undertakes any responsibility for, and make no representations as to, the accuracy or completeness of the content of information available from the SEC or any bankruptcy court, including, but not limited to, updates of such information or links to other internet sites accessed through the SEC or bankruptcy court web sites.

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AVIATION RELATED DEBT

Outstanding Bonds Under the Trust Agreement

The total aggregate principal amount of Outstanding Bonds under the Trust Agreement prior to the issuance of the Series 2009 Bonds will be as follows:

Outstanding Bonds	Dated Date of Issue	Principal Amount Issued	Principal Amount Outstanding
Series 1995E Bonds[1]	August 1, 1995	$ 29,985,000	$ 6,370,000
Series 1997A Bonds[1]	June 1, 1997	130,385,000	19,975,000
Series 1997C Bonds	October 1, 1997	63,170,000	63,170,000
Series 1998A Bonds[1]	July 1, 1998	192,165,000	85,675,000
Series 1998C Bonds	October 1, 1998	150,000,000	150,000,000
Series 2000A Bonds	March 1, 2000	78,110,000	78,110,000
Series 2000B Bonds	March 1, 2000	61,890,000	61,890,000
Series 2002 Bonds	May 30, 2002	299,000,000	299,000,000
Series 2002A Bonds	December 19, 2002	600,000,000	600,000,000
Series 2003A Bonds	May 28, 2003	291,400,000	291,400,000
Series 2003B Bonds[1]	May 28, 2003	61,160,000	33,060,000
Series 2003C Bonds[1]	May 28, 2003	22,095,000	4,920,000
Series 2003D Bonds[1]	May 28, 2003	85,640,000	78,665,000
Series 2003E Bonds[1][2]	May 28, 2003	139,705,000	139,700,000
Series 2004A Bonds	April 14, 2004	211,850,000	211,850,000
Series 2004B Bonds	April 14, 2004	156,365,000	156,365,000
Series 2004C Bonds[1]	April 14, 2004	31,785,000	14,650,000
Series 2005A Bonds	November 2, 2005	357,900,000	357,900,000
Series 2005B Bonds[1]	November 2, 2005	180,345,000	164,370,000
Series 2005C Bonds[1]	November 2, 2005	61,755,000	42,055,000
Series 2007A Bonds	May 31, 2007	551,080,000	551,080,000
Series 2007B Bonds	May 31, 2007	48,920,000	48,920,000
Series 2007C Bonds[1]	December 20, 2007	367,700,000	360,185,000
Series 2007D Bonds[1]	December 20, 2007	43,650,000	39,805,000
Series 2008A Bonds	June 26, 2008	433,565,000	433,565,000
Series 2008B Bonds	June 26, 2008	166,435,000	166,435,000
TOTAL		$4,816,055,000.00	$4,459,115,000.00

[1] Denotes Refunding Bonds issues.

[2] On March 17, 2008, the County converted its Series 2003E auction rate securities to fixed rate bonds. The County has no Outstanding Bonds that are variable rate debt.

Debt Service Schedule

The following table shows the annual Principal and Interest Requirements on all Outstanding Bonds, the annual Principal and Interest Requirements on the Series 2009 Bonds, and the aggregate annual Principal and Interest Requirements on all the Outstanding Bonds and the Series 2009 Bonds, as of the date of delivery of the Series 2009 Bonds for the Fiscal Years ending September 30, 2009 through the final maturity of the Series 2009 Bonds.

MIAMI-DADE COUNTY AVIATION REVENUE BONDS
(OUTSTANDING BONDS UNDER THE TRUST AGREEMENT)
PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ended September 30[1]	Principal and Interest Requirements on Outstanding Bonds[2]	Series 2009 Bonds Principal	Series 2009 Bonds Interest[2]	Total Principal and Interest Requirements for Series 2009 Bonds[2]	Total Aggregate Principal and Interest Requirements[2]
2009	282,325,363				
2010	284,044,374				
2011	279,816,536				
2012	279,447,605				
2013	279,495,710				
2014	279,702,175				
2015	280,020,195				
2016	281,316,214				
2017	281,334,314				
2018	281,354,233				
2019	281,372,688				
2020	281,393,788				
2021	281,414,371				
2022	281,430,644				
2023	281,451,906				
2024	281,532,993				
2025	281,589,068				
2026	281,653,859				
2027	281,723,934				
2028	281,788,259				
2029	281,938,060				
2030	282,007,979				
2031	282,087,666				
2032	282,172,066				
2033	282,258,116				
2034	282,348,054				
2035	282,493,529				
2036	282,651,623				
2037	282,815,578				
2038	282,987,365				
2039	283,197,188				
2040	283,370,975				
2041	283,561,700				
TOTALS	$9,298,098,123				

(1) With respect to each Fiscal Year, excludes payments due on October 1 of such Fiscal Year and includes payments due on October 1 of the following Fiscal Year.

(2) Numbers may not add up due to rounding.

Commercial Paper Notes

The Board has previously authorized issuance of the CP Notes not to exceed $400 million in the aggregate principal amount outstanding at any time to provide temporary financing for funding a portion of the CIP. As of [February __, 2009], CP Notes in the aggregate principal amount of $_____ are outstanding, all of which will be refinanced with proceeds of the Series 2009 Bonds. Payment of CP Notes is secured by amounts in the Improvement Fund and by proceeds of Bonds issued to refund or pay CP Notes. Payment of all outstanding CP Notes is secured by an irrevocable standby letter of credit issued on a several but not a joint basis by BNP Paribas, acting through its San Francisco Branch ("BNP"), and Dexia Credit Local, acting through its New York Branch ("Dexia"). [However, because of recent turmoil in the credit markets and concerns about the credit-worthiness of BNP and Dexia, the County has been unable to issue new CP Notes.] *See* "AUTHORIZATION FOR THE SERIES 2009 BONDS," "PURPOSE OF FINANCING" and "ESTIMATED SOURCES AND USES OF FUNDS."

Other Airport Related Debt

Sunshine State Loan

On August 16, 2005, the County entered into a Loan Agreement with the Sunshine State Governmental Financing Commission whereby the County borrowed $71 million (the "Sunshine State Loan") to finance certain capital improvements, including improvements to the Aviation Department's Enterprise Resource Planning services in the amount of $7.9 million (the "MIA Portion"). The County's obligation to repay the Sunshine State Loan is secured by a covenant from the County to annually budget and appropriate from its legally available non-ad valorem revenues sufficient moneys to pay debt service on the Sunshine State Loan. The actual debt service on the MIA Portion is payable from Revenues on a subordinate basis to the Bonds. As of September 30, 2008, the outstanding principal on the MIA Portion was $3.1 million.

FDOT State Infrastructure Bank Loan

On February 6, 2007, the Board approved the construction of the N.W. 25th Street Viaduct Project ("Viaduct Project") by the Florida Department of Transportation ("FDOT") and approved a County loan in the amount of $50 million from the FDOT State Infrastructure Bank to fund the County's share of the total cost of the Viaduct Project. FDOT and the County subsequently entered into a joint participation agreement on March 12, 2007 whereby FDOT will construct the Viaduct Project and closed on the loan on March 21, 2007. The loan is due on _____ and secured by a County covenant to annually budget and appropriate from County legally available non-ad valorem revenues funds sufficient to pay debt service costs. The debt service costs will be reimbursed to the County by the Aviation Department. The Airport intends to earmark $5 million per year over the eleven year life of the loan from the Aviation Capital Account to reimburse the County. The Viaduct Project consists of an elevated roadway over NW 25th Street, the only major access from the Palmetto Expressway (State Road 826) to MIA's Westside and Northside air cargo handling facilities, so that trucks entering and exiting the air cargo area can travel on the Viaduct and avoid the N.W. 25th Street congestion.

TIFIA Loan

In August 2007, FDOT, in cooperation with the County, closed on a $270 million loan from the United States Department of Transportation under the Transportation Infrastructure Financing Innovation Act ("TIFIA") loan program. These loan proceeds are being used to design and construct a consolidated rental car facility ("RCF") adjacent to the Airport. The revenues pledged for repayment of the loan are the proceeds of the Customer Facility Charges ("CFCs") collected from car rental company customers at

the Airport and, if required, rent payments from the car rental companies. The repayment of the TIFIA loan is not secured by Revenues or any other revenues of the Aviation Department. *See* "AIRPORT SYSTEM FACILITIES – Roadway Access to MIA."

Third-Party Obligations

The County may issue revenue bonds related to the Airport System outside the provisions of the Trust Agreement and not payable from Revenues pledged under the Trust Agreement, subject to the condition, among others, that it will not construct, or consent to the construction of, any project, whether at the Airport or any other site, unless there is filed with the Clerk of the Board a statement signed by the Traffic Engineers and the Consulting Engineers certifying that, in their respective opinions, the operation of such additional project will not affect the County's compliance with the Rate Covenant Requirement or impair the operating efficiency of the Port Authority Properties. The Miami-Dade County Industrial Development Authority has issued revenue bonds in the combined aggregate principal amount of $210,365,000 for the benefit of conduit borrowers, the proceeds of which have been used to finance the construction of air cargo and other facilities at the Airport. As of September 30, 2008, such bonds were outstanding in the aggregate principal amount of $174,010,000. Neither the Airport nor the County has any obligation with respect to these bonds. *See* "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Bonds Secured Otherwise than by the Trust Agreement."

AIRPORT SYSTEM GOVERNANCE AND MANAGEMENT

Governance

The Aviation Department is a department of the County, a political subdivision of the State and a home rule county authorized by the Florida Constitution. Pursuant to Florida Statutes and the Home Rule Amendment and Charter of Miami-Dade County, as amended (the "Home Rule Charter"), the elected 13-member Board is the legislative and governing body of the County. On January 23, 2007, the electors of the County approved an amendment to the Home Rule Charter which established a strong mayor form of government. This amendment expands the Mayor's powers 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, including the Aviation Director.

Management

Brief descriptions of the executive staff and selected division managers of the Aviation Department and the director of the County Finance Department follow.

José Abreu, P.E.
Aviation Department, Aviation Director

José Abreu joined the Aviation Department on July 11, 2005 as Aviation Director. In this capacity, Mr. Abreu is directly responsible for overseeing the day-to-day operation of the Aviation Department's Airport System. His duties and areas of responsibility include management of operations, engineering, facilities development, business development, financial management, and safety and security. Prior to joining the Aviation Department, Mr. Abreu served as Secretary of FDOT, appointed by Governor Jeb Bush on March 5, 2003. Prior to serving as secretary, Mr. Abreu was FDOT's District Six Secretary for Miami-Dade and Monroe counties since 1995. His appointment followed 14 years of service in senior positions within District Six. Mr. Abreu received a Bachelor of Science Degree in Civil

Engineering from the University of Miami. He is a licensed professional engineer and a certified engineering contractor in Florida active in his profession. Mr. Abreu serves on several University of Miami boards including the Industrial Advisory Board of the College of Engineering and the Alumni Association. He also serves on the Board of the Association of Cuban-American Civil Engineers and is a Fellow of the American Society of Civil Engineers. Mr. Abreu has received numerous awards and proclamations including the 1996 Distinguished Alumnus Award from the University of Miami College of Engineering, the 1996 Outstanding Contributions Award from Florida International University College of Engineering, the 2000 Wilbur S. Smith Award, the 2000 National Highway Engineering honor and the 2004 Civil Government Award presented by the American Society of Civil Engineers, the Florida Engineering Society award for outstanding service to the profession-government and the Miami-Dade Community College Hall of Fame. He was named one of "The 100 Most Influential Hispanics" by Hispanic Business magazine in 2003. He was named a top Newsmaker for 2007 by *Engineering News-Record.*

Anne Syrcle Lee
Aviation Department, Chief Financial Officer

Anne Syrcle Lee came to MIA in 1989 to supervise the audit team for Coopers and Lybrand, LLP, the Aviation Department's prior independent auditor. In 1992, after joining the County's internal audit department, Audit and Management Services, she became the manager in charge of the internal audit team permanently located at MIA. Seven years later she joined the Aviation Department's newly-organized Professional Compliance Division, becoming Associate Aviation Director in 2001. She was named Interim Chief Financial Officer in March 2006 and Chief Financial Officer in January 2007. During her tenure in public accounting, she worked in the governmental, not-for-profit, manufacturing, and high tech sectors and as an internal auditor conducted a number of high-profile forensic investigations in the County's proprietary departments. She is an honors graduate of the University of Miami and became a certified public accountant in Massachusetts in 1987.

Robin D. Pearsall
Aviation Department, Capital Finance Manager

Robin D. Pearsall is the Capital Finance Manager. She joined the Aviation Department in 1997. Ms. Pearsall is responsible for administration of debt issuance. Prior to joining the Aviation Department, Ms. Pearsall worked for the Metropolitan Dade County Office of Management and Budget, where she was responsible for preparing the County's proposed capital and operating budgets. Ms. Pearsall received a Bachelor of Arts Degree in political science from the University of Miami.

Juan Carlos Arteaga, AIA
Program Director, North Terminal Development Program

Juan Carlos Arteaga has served as the Program Director for Miami International Airport's North Terminal Development (NTD) Program since December 2005. His duties include managing and directing the design and construction of the $2.9 billion NTD Program, which will expand and renovate concourses A, B, C, D, and E at MIA into a state-of-the-art, 1.3 mile-long linear terminal. Prior to joining the Aviation Department, Arteaga was the Airport Division Director for the Miami-Dade Building Department from 2001 to 2005. Arteaga has a broad range of experience as a professional architect, urban planner, general contractor and design-build and construction manager spanning 28 years. Prior to his years of County service, he served in various capacities for numerous architectural firms in the private sector.

Arteaga currently serves as an adjunct professor at Florida International University. He has received numerous design awards for his architectural and urban development contributions, including Best Master Plan Award from the Association of Building Code Officials in 2004 during his tenure at MIA. Arteaga is a Registered Architect, Urban Planner, Certified General Contractor, Threshold Building Inspector, Building Plans Examiner, Building Inspector and Certified Building Official. He holds a bachelor's and master's degree in architecture, a master's in urban planning and a diploma in urban design, all from the University of Virginia.

Max Fajardo, E.I.
Aviation Department, Deputy Aviation Director

Max Fajardo, Deputy Aviation Director, joined the Aviation Department in May 1989. His 35 years of experience in engineering and construction include positions within the Aviation Department as Assistant Aviation Director of Facilities Management, Manager of Facilities Maintenance and Engineering and Deputy Chief of Engineering. As Deputy Aviation Director, Mr. Fajardo's responsibilities include oversight of all County owned airports, Airside, Landside Operations & Terminal Operations, Administration, Information Systems, Noise Abatement, Facilities Management, Security, Communications, Cultural Affairs, and the Airport's Police and Fire-Rescue Departments.

Mr. Fajardo oversees the Aviation Department's ongoing capital improvement program in facilities coordination, operations and acceptance. In January 2007, Mr. Fajardo was appointed CEO of the Terminal South expansion program, which includes the new 1.5 million square feet Terminal South extension and the new 15 gate Concourse J complex.

Prior to joining the Aviation Department, Mr. Fajardo worked for 16 years in the airport consulting industry, with more than 500 projects performed at MIA and other airports to his credit. Mr. Fajardo is an Engineering Intern in the State of Florida, and has a Masters of Science Degree in Construction Management from Florida International University; a Bachelor of Arts Degree in Public Administration from St. Thomas University; and an Associate in Arts Degree in Engineering/General Studies from Miami-Dade Community College. He is an adjunct instructor with the University of Miami and Airports Councils International Fund and has conducted seminars in predictive and preventive maintenance, risk assessment and mitigation, and emergency planning and response.

Miguel A. Southwell
Aviation Department, Deputy Aviation Director for Business Retention and Development

Miguel A. Southwell is the Deputy Aviation Director for Business Retention and Development. He joined the Aviation Department in July 2001. He is responsible for Commercial Operations, Marketing, Parking Revenue and Real Estate Management and Development. Before coming to the Aviation Department, Mr. Southwell spent 11 years at Hartsfield-Jackson Atlanta International Airport in numerous positions, including Director of Marketing and Public Relations and Interim Assistant Director of Business and Finance. Prior to his airport career, Mr. Southwell worked in the banking and airline industries. Mr. Southwell holds a Bachelor of Business Administration Degree in Management from Portland State University and a Master of Business Administration Degree in International Business from City University of New York.

Narinder S. Jolly, A.I.A.
Aviation Department, Assistant Aviation Director for Facilities Development

Narinder S. Jolly, Assistant Aviation Director for Facilities Development, joined the Aviation Department in 1991 and, in January 1999, was appointed Assistant Aviation Director overseeing the

Facilities Development and Civil/Environmental Engineering Divisions. Mr. Jolly is responsible for managing capital facilities development, including the design and construction of the CIP. Mr. Jolly has worked in the private and public sectors in the fields of planning, architectural design and construction management since 1968 and he is a Registered Architect in the State of Florida since 1978. In the private sector, Mr. Jolly designed a variety of projects including the Airport's Concourse E Satellite Building and Federal Inspection Services Building, schools, libraries, and other institutional buildings. Mr. Jolly served as Director of the County's General Services Administration Facilities Division, during which the County developed the County's administrative headquarters, the cultural center complex, the police headquarters complex and district police stations, the TGK (Turner Guilford Knight) Detention Center, several libraries, fire stations, and other major projects. Mr. Jolly holds a Bachelor of Architecture degree from the School of Planning and Architecture in New Delhi, India, and is a member of the American Institute of Architects.

Rachel E. Baum, C.P.A.
Miami-Dade County Finance Director

Rachel E. Baum was appointed Finance Director in 1996 and has served the County in various progressively responsible positions since 1976, occupying positions of Chief Accountant, Controller and Deputy Finance Director. As Finance Director, she is responsible for the capital financing activities of all County departments and overseeing the structuring and issuance of County debt. Other responsibilities include directing and monitoring investment of public funds, timely collection and distribution of real estate and personal property taxes due to the County and municipalities and other government agencies located within the geographical boundaries of the County. She is also responsible for the coordination and issuance of the County's financial statements in accordance with generally accepted governmental accounting principles. Ms. Baum is a Certified Public Accountant in good standing in the State of Florida. She is a graduate of Hunter College in New York, New York with a Bachelor of Arts Degree in Mathematics. Ms. Baum has announced her retirement effective later this year. The County is conducting a nationwide search for her replacement.

Employees

The Aviation Department has approximately 1,400 employees. Collective bargaining units represent approximately 1,100 of the 1,400 employees. Florida Statutes prohibit public employees from striking against their employers. Police and fire services are provided by their respective County departments through dedicated Aviation Department forces, with supplemental services provided and paid for as needed.

AIRPORT SYSTEM FACILITIES

Introduction

The Airport is located in the unincorporated area of the County, approximately seven miles west of the downtown area of the City of Miami and nine miles west of the City of Miami Beach. The Airport includes approximately 3,300 acres and approximately 184 buildings, ranging from airfield lighting vaults, aircraft engine test cells, chiller plants, cargo warehouses, office buildings, and hangars, to a main terminal building.

Terminal Building

This subsection describes terminal facilities in operation as of September 30, 2008. Terminal facilities under construction are discussed in "CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM."

As of September 30, 2008, the Terminal Building was a single horseshoe-shaped building consisting of North Terminal (Concourses A, C and D), Central Terminal (Concourses E/Satellite, F and G) and the new South Terminal (Concourses H and J). The seven concourses (C, D, E/Satellite, F, G, H and J) with approximately 96 loading bridge gates with 3 gates being used for ground load operations for commuter flights. As of September 30, 2008, Concourse D has 17 gates, E has 18 gates, F has 19 gates, G has 13 gates (plus 3 ground load), H has 11 gates, and J has 15 gates. A map of the Airport is below. On October 31, 2007, Concourse A, with its 17 gates, and the Concourse B FIS were temporarily closed for construction of the new North Terminal. New gates continue to be added Concourse D which has 17 open gates as of October 31, 2008; 2 gates that are temporarily closed for remodeling. The first level includes the arrivals area with domestic baggage claim and ground transportation, as well as outbound baggage systems. The second level is the departure level with security checkpoints, gate hold rooms and 468 ticket positions, the majority of which had common use equipment as of September 30, 2008. The Airport differs from many airports in that the Airport does not have a separate international terminal. Accordingly, the Terminal Building's third level is capable of moving international passengers from Concourses D, E, and F to the E FIS located in the Terminal Building area near Concourse E and moving international passengers from Concourses H and J to the new FIS near Concourse J, which became operational September 24, 2007. In October 31, 2007, the B FIS near the demolished Concourse B was closed, and it will ultimately be replaced by a new FIS in the North Terminal.

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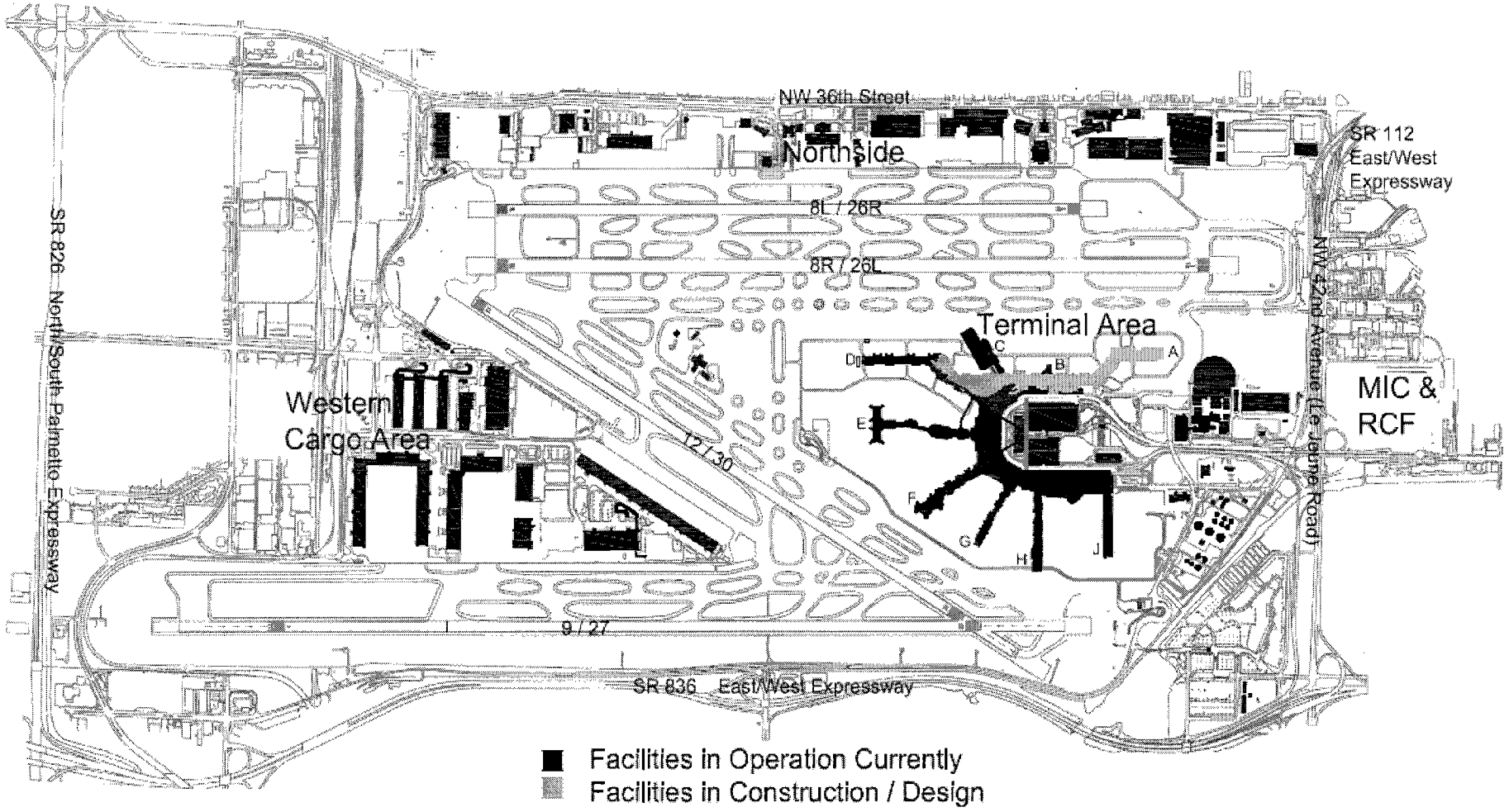

MIAMI INTERNATIONAL AIRPORT

AIRPORT LAYOUT

MIAMI-DADE AVIATION DEPARTMENT

93

PMB 361948.7

Terminal Aircraft Gates, Parking Positions and Gate Assignments

The Aviation Department controls all Airport gate assignments and hardstands used by passenger airlines. Most passenger gates are equipped with loading bridges, of which 70 have international and domestic passenger capability as of September 30, 2008. The actual number of gate positions available to be assigned varies with ongoing construction and renovation projects at the Airport, but as of September 30, 2008 there were 96 operational loading bridge gates and 3 used for ground load operations for commuter aircraft. Of the 70 international gates in operation as of September 30, 2008, 17 were on Concourse D, 18 were on Concourse E and the E-Satellite, and 16 were on Concourse F, 4 were on Concourse H and 15 were on Concourse J. Concourse A (with 17 gates) was closed for construction of the North Terminal and is expected to reopen during the second quarter of 2010.

The Airport also has 28 terminal-area hardstands for large aircraft parking, of which 5 hardstands are leased to American Airlines and 23 hardstands are available for common use. In addition, there are 21 regional jet/commuter hardstands. These are assigned on a daily basis. On a typical day, 18 are assigned to American Eagle and 3 are assigned to Continental Connection/Gulfstream.

The Aviation Department currently does not lease terminal gate positions to airlines and maintains strict control over the airlines' use of gates. Gate assignments are based on each airline's operating schedules, affiliations (code-sharing) with other airlines, aircraft types, locations of ticket counters and support facilities, and computer check-in capability at the gates. The common-use gate philosophy allows Airport management to shift airlines around the Terminal Building in order to maximize utilization of all terminal gates and equalize the throughput of the two international FIS facilities. The Airport's common use terminal equipment allows flexibility in assigning common use gates and ticket counters. This approach has facilitated the expansion of international service from Europe, South America, Central America and the Caribbean, and large increases in service by airlines establishing hub operations at the Airport. The Aviation Department currently assigns all terminal gates and hardstand parking positions, excluding the five leased hardstands, and displays flight information on all gates, bus stations, parking garages and concourses as well as sending the flight data to various area hotels. The Aviation Department made such assignments and displays for 285,492 passenger aircraft flights in fiscal year 2008 with 34,556,289 passengers passing through the Airport.

Commercial Operations Facilities at the Airport

As of September 30, 2008, the Terminal Building had 128 permanent and 21 temporary locations occupying approximately 164,200 square feet of duty free, food and beverage and retail space. Approximately 40% of the concession locations are located pre-security and approximately 60% of the concessions are located post-security. The current concession locations are consistent with a concessions master plan.

The Terminal Building also provides locations for services such as advertising, banks and ATM machines, currency exchanges, baggage storage, shoeshine, barbershop, prepaid phone cards, baggage wrap machines, luggage carts, baggage checkroom, and the Hotel. The Aviation Department currently operates three clubs (known as Club America) totaling 32,700 square feet. Club America accommodates airlines that do not have their own club facilities and wish to offer their passengers a club environment. The participating airlines pay the Aviation Department a per passenger fee for the use of these facilities. A temporary Club America, located pre-security on the third floor, was opened September 14, 2007 to serve international airlines in the South Terminal until the permanent 10,000 square foot Club America on the third floor of Concourse J, located post-security, is completed.

In the past, most of the commercial operations operated under a management agreement structure. Under this structure, the Aviation Department pays a company a management fee to operate the

commercial operation, while the Aviation Department receives all revenues and pays all expenses (including the management fee). Through a solicitation process, the Aviation Department has transitioned from the management agreement structure to concession agreements pursuant to which the operator pays the Airport the greater of a percentage of gross revenues or a minimum amount guaranteed in the contract. Solicitations have been issued and concession agreements awarded resulting in new master concessionaires, operators and/or developers with national, regional and local brands. The costs associated with the buildout of concession locations and on-going maintenance has been shifted to the concessionaire which is a cost-saving to the Aviation Department.

The transition to the concession agreement structure began in 2003 when Westfield Concessions Management, Inc. was awarded the Central Terminal Retail agreement to develop and operate a total of 36 locations. As the need for new concessions continued, solicitations were issued with awards to firms that had no previous presence in the Airport. Competition among the categories is created with a larger variety of concessionaires in the Airport. Areas USA and Concessions Miami were awarded agreements for the food/beverage program for the South and North Terminals. Faber, Coe & Gregg and HMS Host were awarded agreements for the retail program in the North and the South Terminals. Concession agreements were also awarded to a number of small businesses and/or local firms for locations in the North, Central and South Terminals.

The Central Terminal Retail program has been completed with the exception of one location that is under construction. Construction in the Central Terminal (before security from Concourse E to Concourse H) provides new concession signage identification of stores through a blade signage program and column wraps in front of each concession. This project will be completed this year and will provide an upgrade to the appearance of the Central Terminal from revenues related to Central Terminal retail revenues. It will assist in identifying stores from Concourse E to Concourse H (located before security) and improve the image of the area.

A new concession program was created to support the new South Terminal and its 50,000 square foot Concession Hall which features an 8,900 square foot food court. The South Terminal will also host a Bank of America service center and other amenities such as ATMs and prepaid phone card machines. Of the 43 permanent concession locations, 26 locations have opened. The remaining locations will be open by the end of the second quarter 2009.

Concourse A in the North Terminal was temporarily decommissioned November 10, 2007 to accelerate the completion of the North Terminal build out. In the Concourse D Extension areas of the North Terminal, temporary concessions supplement the existing permanent concessions during the build-out period. The North Terminal build out is progressing on schedule with the next phase, projected to open summer 2009. Planning is under way to insure concurrent opening of concession services with the gate openings. One final solicitation is being prepared for issuance that will cover the final phase of construction, which is scheduled for a summer 2010 opening.

During 2008, concessions totalling 27,657 square feet were added throughout the Airport. These new locations will enable the Department to meet the passenger demands for additional food/beverage, retail and duty free concessions.

Car rental agencies pay the Aviation Department a percentage of gross revenues and rent for counter space in the Terminal Building. Car rental counters are being phased out and replaced by telephone access through the courtesy or reservation boards located conveniently throughout the Airport. The current rental car companies at the Airport are Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Royal and Thrifty. Sixteen car rental agencies have signed the concession agreement and a memorandum of understanding agreement to participate in the RCF (the consolidated rental car facility). The RCF is currently under construction at the off-Airport Miami Intermodal Center (the "MIC") site. Completion is now scheduled for early 2010. This facility is expected to be connected to the Airport by a MIA Mover train from the RCF to a location between the Airport parking garages.

The Hotel, which is accessed on the second level of Concourse E, is currently managed by HID Development, Inc. through a management agreement. The Hotel occupies about 118,500 square feet with 259 rooms. A reconstruction effort has been completed in the North Tower to update the Hotel to comply with the current codes and to upgrade its interior with new wallpaper, draperies, carpet and furniture. The South Tower is currently under renovation and expected to reopen in 2009. Currently, approximately 141 rooms are available for occupancy. The occupancy of the available rooms during calendar year 2007 was [___]% and during first half of calendar year 2008 was [___]%. Services at the Hotel include the Top of the Port restaurant, a lobby bar, and a sushi bar located in the Hotel's lobby area.

Airside Facilities

The Airport has four commercial air carrier runways, consisting of three parallel east-west runways and one diagonal runway oriented in the northwest to southeast heading. For a map of the runways, *see* "AIRPORT SYSTEMS FACILITIES – Terminal Building." These runways provide operational facilities to cover prevailing wind conditions at MIA and are connected by a system of dual taxiways and aprons. The runways are equipped with high-intensity runway lighting. Category I Instrument Landing Systems are provided for five of the eight runway approach directions to permit operations under poor weather conditions. The new, northernmost Runway 8L/26R runs east-west and is 8,600 feet long and 150 feet wide. Runway 8R/26L, also on the north side of the Airport, runs east-west and is 10,500 feet long and 200 feet wide. The south parallel east-west Runway 9/27, about a mile to the south, is 13,000 feet long and 150 feet wide. The northwest-southeast Runway 12/30 is 9,355 feet long and 150 feet wide. These runways are capable of handling any size passenger aircraft currently in use, with Runway 8R/26L and 9/27 capable of handling the Airbus A380. This four-runway layout permits peak hour aircraft movements of up to 149 flight operations per hour.

The four runways are constructed with bituminous asphalt surfacing, over a compacted lime rock base, and can be strengthened as necessary by additional overlays of bituminous asphalt to accommodate sustained operations by heavier aircraft in the future. All runways are grooved, permitting all-weather landing and braking performance.

To minimize take-off delays, all runways are supplemented at each end with large holding aprons, which permit the bypassing of any aircraft facing delay by other departing aircraft. A system of high-speed turnoffs from the runways has been provided, permitting landing aircraft to make smooth exits from the runways to the taxiway system, enhancing airfield capacity. An extensive system of dual parallel taxiways has been constructed to support all four runways and serve the entire area of the Airport terminal complex. These dual-parallel taxiways provide by-pass taxiway capability during high airfield utilization periods such as during peak periods when air traffic control needs to reshuffle departure queues to enable the most delayed departures to take-off prior to other flights.

Parking Facilities

The Airport offers several parking alternatives: valet, short-term, long-term and economy parking with 24 hours a day, seven days per week availability. Two covered parking facilities are positioned within the linear configuration of the Terminal Building. The parking garages, ground transportation and curbside services are situated along the main access roadway. The remote Economy Park and Ride surface lot, which is located in a remote area of the Airport near the employee parking, offers 600 public parking spaces with free shuttle service to the Terminal Building.

As of September 30, 2008, the Airport has 8,651 public parking spaces allocated for valet service, short-term, long-term and economy parking at MIA's parking facilities. The South Terminal short-term parking lot opened in December 2007 with an additional 350 parking spaces, including parking for

limousine services. The main exit from the parking facilities is through a centrally-located revenue collection plaza. This plaza allows for centralized ticketing access to and from the garages with state-of-the-art revenue collection report systems. Systems upgrades such as Pay On Foot and the SunPass program originally slated for the last quarter of calendar year 2008 are to be completed during 2009. Pay On Foot will allow patrons to pay for parking prior to exiting the collection plaza to expedite their exit. MasterCard has agreed to install (at its expense) new readers to support the PayPass or other credit card programs which allows customers to "tap" the card on the reader rather than to swipe. This service provides some comfort to parking patrons who do not want to swipe cards and is anticipated to speed up the exit process. In the long run, it is anticipated that more credit card usage will result in the need for fewer cash lanes and reduce labor expenses. The SunPass program has been agreed to by the Aviation Department and FDOT and will be an additional payment method.

Roadway Access to MIA

The primary ingress and egress routes for passengers and visitors to MIA are 1) from LeJeune Road (N.W. 42nd Avenue, the eastern geographic boundary of the Airport) to NW 21st Street, and 2) a direct connection to the State Road 112 (SR 112) expressway with dedicated ramps leading to the Terminal Building and the revenue parking Central Collection Plaza via Central Boulevard (which is an extension of NW 21st Street). The Central Boulevard roadway connects to all passenger landside and terminal facilities and on approach to the terminal is grade separated with access to the first (ground) level for all arrivals and an elevated roadway level serving the entire second level for all departures.

On airport roadway access infrastructure which is part of the CIP includes the Central Collection Plaza and the South Drives Extension Projects, both of which were completed in 2003. The Central Collection Plaza is a centralized point of entry and exit from the revenue parking garages which has resulted in an extremely efficient and intuitive revenue parking system. The Southside Drives Extension project, which extended the grade separated terminal roadway system with additional curb frontage for arriving and departing passengers to support the South Terminal building and Concourse J expansion which opened for service in 2007. The Southside Drives Extension project greatly improved the circulation, weaving and wayfinding for passengers exiting the Airport.

Off airport surface access improvements are primarily funded by entities other than the County and enhance the functionality of the Airport and include the Airport's interface with the Consolidated Rental Car Facility (RCF) and the transit oriented Miami Intermodal Center (MIC), and improved ingress and egress for both passengers and cargo on the east and west sides of the airport.

- FDOT and the Miami-Dade County Expressway Authority ("MDX") are funding several projects to enhance access to the Airport from adjoining roads. These include widening LeJeune Road (Northwest 42nd Avenue). Direct connect ramps from the Airport to State Roads 836 and 112, the RCF, the MIC core building, widening the Northwest 25th Street exit and constricting a dedicated elevated cargo trucks only viaduct from the MIA cargo area, SR826/SR836 Interchange, and SR 826/Northwest 36th Street Interchange.

- The MIC is multi-phased development program intended to relieve area roadway congestion and improve access to the Airport by creating a regional transportation center east of LeJeune Road. The MIC will act as a remote ground transportation hub for MIA by relieving terminal curbside congestion. Its estimated cost is $3.1 billion. The primary structures include a separate MIC core building and the RCF, both of which will be constructed by FDOT with loan proceeds from the United States Department of Transportation under the TIFIA loan program. The MIA Mover, which is being funded through the CIP and $114.2 M in FDOT grants, will connect the RCF to the Terminal

Building. FDOT plans to construct other transportation-related facilities in the immediate area, all of which will be made commercially compatible with the RCF and the MIC core building.

The County's responsibilities for the MIC project are primarily limited to:

- Designing, constructing and operating the MIA Mover;
- Calculating CFCs sufficient to pay off the TIFIA loan secured by FDOT and imposing upon car rental companies the obligation to collect CFCs from their customers and remit them to a trustee; and
- Operating and maintaining the RCF and paying for the costs there of and from the CFCs. The CFCs are not Revenues of the Port Authority Properties.

Other improvements currently in design and funded by FDOT includes widening Perimeter Road from NW 72nd Avenue to NW 57th Avenue to four lanes to serve as a maintenance of traffic for the Miami-Dade Expressway Authority's widening and realignment of the [Dolphin Expressway] SR836. The other portion of Perimeter Road in design and subject to federal and state funding includes widening Perimeter Road from NW 57th Avenue along NW 42nd Court (parallel and to the east of LeJeune Road) and connecting to NW 20th Street allowing the aviation fuel-farm to be enclosed into the Airport's Airfield Operations Area.

See "AVIATION RELATED DEBT – Other Airport-Related Debt – FDOT State Infrastructure Bank Loan" for a description of the NW 25th Street Viaduct Project.

Cargo and Other Facilities at the Airport

The Airport has a number of facilities that are used for cargo operations (mostly warehouse space), testing aircraft engines (aircraft engine test cell facilities), aircraft maintenance (both narrow-body and wide-body aircraft hangars), and aircraft flight crew training (flight simulators). These facilities are in three areas of the Airport: (i) the northeast area, which covers approximately 146 acres, (ii) the central area, which covers 79 acres, and (iii) the northwest and west areas, which comprise 573 acres.

As of September 30, 2008, the Aviation Department managed approximately 9.4 million square feet of potentially rentable cargo and other facilities space including maintenance facilities as well as hangars, office space, simulator bays and other training areas, engine repair and testing facilities. Storage areas make up the rest of the square footage managed by the Aviation Department. These facilities cover approximately 219 leases and produced approximately $56.2 million in annual rental revenues ($39.8 million from buildings and $16.4 million from land), which constitute approximately 9.3% of FY 2008 Revenues. This total includes the general aviation airports.

Cargo plays a significant role in the financial health of the Airport. Annual revenues generated from the rental of cargo facilities combined with Landing Fees of all-cargo airlines operating at MIA, totaled $69.6 million for the twelve months ended September 30, 2008.

During [FY] 2007, MIA handled a total of 2.1 million tons of cargo. Of this amount, international freight originating and clearing at MIA amounted to 972,686 tons, valued at $34.9 billion, an increase of 8.2% by weight, and an increase of 14.1% by value. MIA's highest growth during 2007 came primarily from three distinct regions in the world. Leading the growth was Asia with a 23% increase in tonnage and a 39% increase in value over 2006. The second region is Europe which grew 17% in tonnage and 26% in value during FY 2007. Third in growth percentages was the traditional stronghold market of South America, with a 10% increase in tonnage and 15% in volume in FY 2007. To accommodate the

increase in Asian cargo activity and the strong growth of international freight to and from Latin America, the Airport has negotiated with a third-party developer to add 370,000 square feet of cargo warehouse space.

In April 2008, Cargolux commenced weekly service to Luxembourg. With this expansion of Cargolux service, MIA now has direct freighter flights to multiple global cargo hubs including: Amsterdam, Frankfurt, Taipei and Seoul.

The majority of the MIA airfield development in the last 20 years has been for cargo handling facilities on the west side of the Airport known as the belly cargo buildings and the Western and Eastern "U." The three belly cargo buildings and the four buildings making up the Western "U" were developed by the Aviation Department and are leased to cargo tenants. In late 2008 the Department initiated a $922,000 program to standardize the roof vent fans on the cargo buildings that is expected to be completed by late spring 2009.

All of the buildings in the Eastern "U" were developed and are operated by tenants or third parties under lease development agreements. United Airlines built a 118,000 square foot cargo facility (and has transferred its interest in this facility to AMB Codina MIA Cargo Center, LLC); Arrow Air completed a 127,089 square foot facility; and Lan Chile built an approximately 410,000 square foot cargo and office complex, which stands as the largest single-tenant cargo facility at the Airport and serves as Lan Chile's headquarters for its U.S. operations. These lease development agreements typically have terms of 20 to 30 years, and provide that each company pays ground rent to the Aviation Department during the period of the lease, and fair market rents on the facilities at the conclusion of the initial term. Each company constructed its facilities at its own cost, using its own source of financing.

Other facilities financed under lease development agreements include a 35,000 square foot courier facility built by UPS in 2001 located in the northwest area of the Airport and adjacent to the 157,000 square foot cargo facility the company acquired with its purchase of Challenge Air Cargo. These facilities serve as UPS's Latin American gateway hub. FedEx also built a new 189,000 square foot facility along the north side of the Airport that was completed in 2004. Currently, the Airport has over 2.6 million square feet of cargo facilities.

In addition to the cargo facilities, the Aviation Department has a number of cargo loading (aircraft apron) positions located throughout the airfield that serve to support the cargo operations at the Airport. As of September 30, 2008, the Airport has 64 such positions, 41 of which are common-use positions that are assigned by the Aviation Department's Airside staff. The remaining 23 are on airline leasehold property. Assignment of the common-use cargo loading positions is based on the location of airline cargo warehouse leaseholds, aircraft types and operating schedules of the cargo airlines.

In 2007, the Aviation Department completed negotiation of a development lease with Centurion Air Cargo, Inc. ("Centurion"). This $110 million development (the "Development") will be located on a 83-acre site at the northeast corner of the Airport that was a major portion of the former Eastern Airlines leasehold. The lease has been reviewed and approved by the FAA and the resolution to adopt it was passed by the Board of County Commissioners in September 2007. The development includes a 250,000 square foot warehouse, rehabilitation of 65,000 square feet of office space, 140,000 square feet of hangar space, construction of 350,000 square feet of paved aircraft ramp and ground services equipment storage and the purchase of Buildings 890 and 891 for the fair market value of $6.4 million. Centurion is also required to extend Taxiway "K" but, under the terms of the lease, the Aviation Department is required to reimburse Centurion for such extension up to $6.4 million. The cap on reimbursable costs related to the extension of Taxiway "K" does not apply to costs related to remediation of any unforeseen environmental conditions. Phase II of the lease gives Centurion the option to expand

its cargo warehouse development into the area now occupied by Building 5A with the provision that it either replaces or purchases Building 5A from the Aviation Department. In either case, Centurion is obligated to bear the cost of relocating all operations currently housed in Building 5A. The lease term is 30 years with two five-year renewal options, for a total of 40 years. Under the terms of the lease, Centurion will assign the lease to Aero Miami, LLC ("Aeroterm") for the financing, design, construction and management of the Development. Centurion will remain liable with Aeroterm as joint lessees under the lease. The developer is in the permitting process for the demolition work required for the new construction.

The Aviation Department has entered the negotiation phase of a request for proposals made for the private development of seven separate investment areas ranging in size from 2 to 62 acres. Of the seven projects, investors responded for the development of four of the investment areas and negotiations are on-going with two private developers for four sites. The Airport intends to use private investor financing to construct, renovate, manage and/or operate projects in these investment areas to generate aviation-support or non-aviation revenue from underused land parcels and facilities. Investors may choose the projects that they propose to utilize and the type of development that is, in their opinion, best suited for a given site.

A separate solicitation for the development of the Central Boulevard Project was issued on August 19, 2008. The entire Central Boulevard Project can potentially extend to approximately 39 acres of Airport property in the immediate vicinity of Central Boulevard that includes 240,000 square feet of existing office, cafeteria, training, equipment and parts maintenance. At a minimum, some of the existing facilities on the sites require building code upgrades, modernization and other alterations, depending on proposed uses. The Aviation Department received five responses to the solicitations and is currently evaluating them for the creation of a short list.

General Aviation Airports and Training Airports

In addition to MIA, the Aviation Department operates five general aviation airports. Three such general aviation airports are used for traditional general aviation activities such as fixed base operations and aircraft storage and maintenance facilities. One airport is used primarily for training purposes, while another has been decommissioned for the purpose of mining the limestone deposits located on its premises. The following narrative describes the facilities at each of these airports.

Opa-Locka Executive Airport

The County obtained Opa-Locka Executive Airport ("OPF") from the United States government in 1961 and the former Naval Air Station Miami (Marine Corps Air Station Miami) has been operated for general aviation activity since then. OPF is a designated reliever airport for the Airport. OPF's property contains 1,810 acres.

The Airfield consists of four active runways. The two east-west runways are 8,002 feet and 4,306 feet long, respectively, and 150 feet wide, with one runway having two instrument landing systems ("ILS") and Category I capabilities. The southeast-northwest runway is 6,800 feet long and 150 feet wide, and also has ILS and Category I capability. The north-south runway is 4,394 feet long and 150 feet wide. Other facilities include corporate hangars, an Aircraft Rescue and Fire Fighting ("ARFF") building and a CBP private aircraft clearance building. In addition, third parties operate or are in the process of developing a number of the facilities at OPF including corporate hangars. The U.S. Coast Guard and Miami-Dade County Police and Fire ("Air Rescue") have operations at OPF.

During the last year, the Aviation Department has experienced a surge in requests for ground leases to construct facilities for fixed base operations and aircraft storage hangars. The Aviation Department believes that this surge will continue as small jet manufacturers are beginning to produce planes in the $1-$2 million price range. At OPF, where there are currently over 500 acres available for development, the Aviation Department has taken measures to release large tracts of land held by three developers since the late 1990s, to accommodate such requests to construct hangar/office facilities, fuel farms, warehouses, retail/industrial facilities and fixed based operations. The total planned private investment as of September 30, 2008 was approximately $381,300,000.

Kendall-Tamiami Executive Airport

Since its opening in 1967, Kendall-Tamiami Executive Airport ("TMB") has become one of the busiest general aviation airports in Florida. TMB is a designated reliever airport for the Airport. TMB's property contains 1,360 acres.

TMB's airfield consists of three active runways: two east-west runways of 5,001 feet and 4,999 feet in length and 150 feet in width, and a southeast-northwest runway of 4,001 feet in length and 150 feet in width. The primary east-west runway is equipped with high intensity runway lighting and two 50-foot wide parallel taxiways with medium intensity taxiway lighting. The secondary runways have medium intensity runway edge lighting and taxiway lighting. Other facilities include T-hangar bays, corporate hangars and office buildings, which have been built by the Aviation Department and private parties. The County and the federal government have considerable facilities at TMB. The County's Police and Fire Departments' aircraft are headquartered there, and the FAA operates the air traffic control tower and the International Flight Service Station. Miami-Dade College has a satellite campus located at TMB at which it operates flight training programs.

In 2007, six private development projects were approved by the County. The combined projects will utilize a total of 42.15 acres. The total planned private investment as of September 30, 2008 was approximately $13,048,250.

Recent planning studies for TMB have identified the need to lengthen Runway 9R/27L an additional 1,000 feet to a total of 6,000 feet to better serve existing as well as to accommodate additional corporate aircraft operators at the airport. The project is currently in the design phase and is funded with an FAA grant. Construction of the extension is not a part of the CIP. The total project cost is estimated to be $13 million, and the construction is wholly contingent upon the receipt of ninety percent (90%) FAA Discretionary Funding in FY 2010.

Homestead General Aviation Airport

Homestead General Aviation Airport ("HGAA"), which was completed in 1963, and was rebuilt in 1997 after suffering significant windstorm damage from Hurricane Andrew, serves the public, agricultural users and sports aviation in the southern portion of the County. HGAA's property contains 960 acres.

HGAA's airfield consists of three general aviation runways: an east-west runway that is 3,000 feet long and 75 feet wide, a parallel east-west grass runway that is 1,000 feet long and 50 feet wide, reserved for ultralight activity, and a north-south runway that is 4,000 feet long and 100 feet wide. The main runways each have parallel lighted taxiways and medium intensity edge lighting. HGAA has an administration building, with approximately 100 paved auto parking spaces for general aviation.

The County has entered into a long-term lease agreement for a fixed base operator at HGAA. The site consists of approximately 7.39 acres and also includes certain existing facilities. The lease requires the tenant to invest $80,000 in a fuel farm facility.

The Dade-Collier Training and Transition Airport

The Dade-Collier Training and Transition Airport (the "Dade-Collier Airport"), located partially within the County and partially within Collier County, is approximately 33 miles west of the Airport, was opened on January 20, 1970, and is used for commercial air carrier and military flight training purposes. The Dade-Collier Airport property contains 24,960 acres, which includes approximately 900 acres of developed and operational land.

The Dade-Collier Airport consists of a single east-west runway (10,500 feet long and 150 feet wide), which is equipped with high-intensity lights, and pavement geometry configured for efficient operation of wide-body aircraft. The County owns all facilities at this airport, excluding the ILS.

The undeveloped property of the Dade-Collier Airport is managed and operated by the Florida Game and Freshwater Fish Commission. Environmental concern for the safety of the Everglades resulted in the negotiations of the Everglades Jetport Pact, which is a multi-party agreement among the County, the State, and the United States acting through the Secretary of Transportation and the Secretary of the Interior, to restrict the development of the Dade-Collier Airport to a single runway until a mutually agreeable alternate site is made available to the County and equipped with facilities equal to those at the existing site without cost to the County. The selection of an alternate site has not occurred as of this date.

The Aviation Department is currently examining options to determine how best to maximize revenue from these extremely environmentally sensitive premises.

Opa-Locka West Airport

The Opa-Locka West Airport was decommissioned in 2006 and the Aviation Department is currently in negotiations with FDOT to collaborate on mining the limestone deposits located on the premises. The two options being considered are (i) granting to a mining company through a lease agreement the rights to mine the limestone, with the Aviation Department receiving a royalty which is usually based on the volume of limestone sold, or (ii) the Aviation Department, in collaboration with FDOT, entering into a mining agreement with a mining company to mine and sell the limestone. FDOT has already submitted the required permit applications to mine the limestone, including one to the U.S. Army Corps of Engineers.

Meanwhile, as an interim revenue producing measure, the Aviation Department has granted a permit to an operator to conduct drag racing activities sanctioned by the International Hot Rod Association.

AIRPORT TRAFFIC ACTIVITY

The Airport offers an extensive air service network, enhanced by multiple daily scheduled and non-scheduled flight frequencies covering nearly 150 cities on four continents. Based on Official Airline Guide data for flights scheduled from July 1, 2008 through September 30, 2008, the Airport's stronghold market, the Latin America/Caribbean region, was served by more passenger flights from the Airport than from any other U.S. airport. The Airport is a major transshipment point by air for the Americas. During 2007, the most recent year for which such information is available, the Airport handled 81% of all air imports and 77% of all air exports between the USA and the Latin American/Caribbean region. In

calendar year 2007, the Airport was the nation's number one airport in international freight* (excluding mail) and third in international passenger traffic.

The Airport stimulates a host of industries such as tourism, the cruise industry and international banking and commerce. The Airport's activities have resounding effects throughout the State as well. In calendar year 2007, the most recent period for which such information is available, the Airport was the port of entry for 69% of all international passenger traffic arriving by air to the State. In terms of trade, Department of Commerce data for 2007 showed that the Airport handled 96% of the dollar value of the State's total air imports and exports, and 32% of the State's total trade volume. The Airport is American Airline's largest international hub operation, both for international passengers and international cargo. American Airlines accounted for approximately 64.1% of the enplaned passengers at the Airport during Fiscal Year 2008, and together with its affiliate, American Eagle, approximately 68.4% of all enplaned passengers during such period.

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* Airports Council International ("ACI") includes Anchorage International Airport ("ANC") in its rankings. MIA excludes ANC from its rankings because of ANC's particular methodology of accounting for freight. MIA's total freight only reflects enplaned and deplaned freight, while ANC chooses to include a large amount of transit (same aircraft) freight.
Source: Miami-Dade County Aviation Department.

The table set forth below provides statistical information related to the Airport's activity trends, including enplaned and deplaned passengers, landings and take-offs and enplaned and deplaned cargo.

AIRPORT TRAFFIC ACTIVITY TRENDS
MIAMI INTERNATIONAL AIRPORT
(FOR THE 12 MONTHS ENDED SEPTEMBER 30)

Fiscal Year	Total Enplaned and Deplaned Passengers	Percentage Change	Landings and Take-Offs	Percentage Change	Total Enplaned and Deplaned Cargo (Tons)	Percentage Change
2008	34,065,830	2.4%	377,568	-1.3%	2,079,999	-0.9%
2007	33,277,778	3.7	382,714	1.8	2,099,364	6.5
2006	32,094,712	3.8	376,007	-0.4	1,970,928	0.3
2005	30,912,091	2.2	377,630	-1.1	1,965,501	1.2
2004	30,244,119	2.4	381,670	0.1	1,942,119	9.4
2003	29,532,547	0.6	381,248	-1.9	1,775,087	0.7
2002	29,349,913	-11.2	388,738	-10.0	1,763,292	-4.2
2001	33,048,741	-2.1	431,919	-3.8	1,839,895	2.3
2000	33,743,284	-0.8	448,884	-0.9	1,799,225	-3.2
1999	34,003,492	-0.1	452,975	-6.0	1,859,443	-6.6
1998	34,031,958	-1.0	482,081	3.3	1,991,652	3.0

Source: Miami-Dade County Aviation Department.

The wide range of international air service, along with positive international air route development programs, contribute to the Airport's importance as a worldwide international-to-international connecting hub for many air carriers. As indicated in the following table, the Airport in calendar year 2008 ranked first in the United States in the number of tons of international cargo, excluding mail, and third in the number of international passengers. These statistics, in addition to the Airport's percentage of international passengers and cargo, are summarized in the tables below:

TOP FIVE US AIRPORTS' INTERNATIONAL ACTIVITY
CALENDAR YEAR 2007

International Enplaned/Deplaned Passengers		International Enplaned/Deplaned Freight (U.S. Tons)[1]	
1. New York Kennedy	21,543,251	1. Miami International	1,776,069
2. Los Angeles	17,163,265	2. New York Kennedy	1,300,086
3. Miami International	15,541,000	3. Chicago O'Hare	1,126,849
4. Chicago O'Hare	11,907,183	4. Los Angeles	1,107,757
5. Newark	10,753,100	5. Atlanta	439,573

[1] ACI rankings include ANC in its rankings. The Airport excludes ANC from its rankings because of ANC's particular methodology of accounting for freight. The Airport's total freight reflects only enplaned and deplaned freight, while ANC chooses to include a large amount of transit (same aircraft) freight.

Source: Airports Council International and Miami-Dade County Aviation Department.

AIRPORT INTERNATIONAL ACTIVITY
PERCENTAGES OF PASSENGERS AND CARGO

Fiscal Year Ended September 30	Enplaned and Deplaned International Passengers as a Percentage of Total Passengers	Enplaned and Deplaned International Cargo as a Percentage of Total Cargo
2008	47%	86%
2007	46	84
2006	45	84
2005	46	83
2004	46	82
2003	47	81
2002	48	80
2001	48	79
2000	48	81
1999	46	81
1998	45	80

Source: Miami-Dade County Aviation Department.

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Airlines Serving the Airport

As of September 30, 2008, scheduled service was provided at the Airport by 68 airlines; of these, 44 provide domestic or international passenger or passenger-cargo combination service, and 24 provide scheduled all-cargo service. The number of carriers providing scheduled service varies monthly.

44 SCHEDULED PASSENGER/CARGO COMBINATION CARRIERS

14 U.S. Scheduled Passenger/Cargo Combination Carriers, including Commuters

Air Tran*
Alaska Airlines*
American Airlines*
American Eagle (Executive Airlines and Trans State Airlines)*
Comair (Delta Connection)
Continental Airlines*
Delta Air Lines*
Freedom Airlines (Delta Connection)
Gulfstream International (Continental Connection)*
Northwest Airlines*
Shuttle America (Delta Connection and United Airlines Shuttle)
Sun Country*[1]
TED/United Airlines*
US Airways*

30 Foreign Scheduled Passenger/Cargo Combination Carriers

Aerolineas Argentinas (Argentina)*
Aeromexico (Mexico)*
Aerosur (Bolivia)
Air Canada (Canada)*
Air France (France)*
Air Jamaica (Jamaica)*
Alitalia (Italy)*
Avianca (Colombia)*
Avior (Venezuela)
Bahamasair (Bahamas)*
British Airways (United Kingdom)*
Caribbean Airlines (Trinidad and Tobago)*
Cayman Airways (Cayman Islands)*
COPA (Panama)*
Iberia (Spain)*
LACSA (Costa Rica)*
Lan Argentina (Argentina)
Lan (Chile)*
Lan Ecuador (Ecuador)
Lan Peru (Peru)
LTU/Air Berlin (Germany)*
Lufthansa (Germany)*
Martinair (Netherlands)*
Mexicana (Mexico)*
Santa Barbara Airlines (Venezuela)*
Surinam Airways (Surinam)
Swiss International Airlines (Switzerland)*
TACA (El Salvador)*
TAM (Brazil)*
Virgin Atlantic (United Kingdom)*

Source: Miami-Dade County Aviation Department.
* Represents Signatory Airline
[1] Sun Country generally operates flights seasonally.

24 SCHEDULED ALL-CARGO CARRIERS

13 U.S. Scheduled All-Cargo Carriers	11 Foreign Scheduled All-Cargo Carriers
ABX Air*	ABSA (Brazil)
Air Tahoma (FedEx Feeder)	Cargolux Airlines Int'l (Luxembourg)
Amerijet*	China Airlines (Taiwan)
Arrow Cargo	Cielos Del Peru (Peru)*
Astar Air Cargo*	DHL Aeroexpreso (Panama)
Centurion Air Cargo	Estafeta (Mexico)*
Federal Express (FedEx)*	Korean Air (Korea)*
IBC Airways	LAN Cargo (Chile)
Merlin Airways (FedEx Feeder)	Mas Air (Mexico)
Mountain Air Cargo (FedEx Feeder)	Tampa Cargo (Colombia)*
Polar Air Cargo*	Transportes Aereos Bolvianos (Bolivia)
Tradewinds Airlines	
United Parcel Service (UPS)*	

Source: Miami-Dade County Aviation Department.
* Represents Signatory Airline

17 NON-SCHEDULED SERVICE CARRIERS

As of September 30, 2008, non-scheduled service on charter authority was provided by 17 airlines, 4 of which provide domestic or international passenger or passenger-cargo combination service, and 13 of which provide all-cargo service.

3 U.S. Passenger/Cargo Combination Carriers	9 U.S. All-Cargo Carriers
Gulfstream Air Charter*	Air Transport International*
Miami Air International*	Ameristar
Sky King*[1]	Atlas Air*
	Florida West
	IFL Group
	Kalitta Air
	Prams Air
	Sky Way Enterprises
	Southern Air*
1 Foreign Passenger/Cargo Combination Carrier	**4 Foreign All-Cargo Carriers**
Skyservice Airlines (Canada)*[1]	Aerounion (Mexico)
	Avialeasing (Uzbekistan)
	Lineas Aereas Suramericanas S.A. (Colombia)
	MTA Cargo (Brazil)

Source: Miami-Dade County Aviation Department.
* Represents Signatory Airline
[1] These airlines generally operate flights seasonally.
[2] Filed bankruptcy April 3, 2008, and ceased operation.

Selected Carrier Activity

ENPLANED PASSENGERS

	THREE MONTHS ENDED DECEMBER 31		FISCAL YEARS ENDED SEPTEMBER 30							
	2008		2008		2007		2006		2005	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American			11,099,724	65.16	10,655,050	64.13	10,170,787	63.35	9,558,458	61.89
American Eagle			711,775	4.18	749,319	4.51	693,498	4.32	586,261	3.80
Delta			549,383	3.22	527,605	3.18	530,247	3.30	595,265	3.85
Continental			402,048	2.36	402,974	2.43	390,846	2.43	385,581	2.50
US Airways			396,417	2.33	441,632	2.66	385,313	2.40	344,994	2.23
Avianca			292,161	1.72	278,947	1.68	247,297	1.54	213,828	1.38
Taca International			232,205	1.36	198,635	1.20	186,706	1.16	208,782	1.35
British Airways			214,092	1.26	219,725	1.32	239,135	1.49	239,370	1.55
Northwest			194,120	1.14	193,987	1.17	212,168	1.32	250,833	1.62
Air France			173,716	1.02	158,172	0.95	167,439	1.04	151,680	0.98
All Others			2,769,759	16.26	2,789,369	16.79	2,831,604	17.64	2,908,206	18.83
Total			17,035,400	100.00	16,615,415	100.00	16,055,040	100.00	15,443,258	100.00

Source: Miami-Dade County Aviation Department.
Note: Percentages may not total 100% due to rounding.

COMMERCIAL AIRCRAFT LANDED WEIGHT (1,000 LBS.)

	THREE MONTHS ENDED DECEMBER 31		FISCAL YEARS ENDED SEPTEMBER 30							
	2008		2008		2007		2006		2005	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American			15,084,270	47.75	14,680,615	46.72	14,310,103	46.56	14,286,955	45.87
United Parcel Service			925,313	2.93	942,225	3.00	907,570	2.95	919,361	2.95
LAN f/k/a Lan Chile			881,640	2.79	980,530	3.12	957,830	3.12	919,000	2.95
American Eagle			852,994	2.70	853,145	2.72	793,346	2.58	732,383	2.35
Delta			711,278	2.25	720,140	2.29	777,895	2.53	944,334	3.03
Arrow Air			650,495	2.06	613,079	1.95	535,925	1.74	576,643	1.85
Centurion Cargo			616,887	1.95	441,253	1.40	411,866	1.34	391,313	1.26
Tampa Cargo			558,628	1.77	576,930	1.84	595,459	1.94	646,873	2.08
Continental			447,892	1.42	459,557	1.46	457,143	1.49	462,325	1.48
British Airways			444,448	1.41	443,840	1.41	476,672	1.55	461,426	1.48
All Others			10,416,625	32.97	10,708,563	34.08	10,511,303	34.20	10,807,899	34.70
Total			31,590,470	100.00	31,419,877	100.00	30,735,112	100.00	31,148,512	100.00

Source: Miami-Dade County Aviation Department.
Note: Percentages may not total 100% due to rounding.

FLIGHT OPERATIONS (TAKE-OFFS AND LANDINGS)

	THREE MONTHS ENDED DECEMBER 31		FISCAL YEARS ENDED SEPTEMBER 30							
	2008		2008		2007		2006		2005	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American			145,496	38.54	141,186	36.89	141,985	37.76	141,027	37.35
American Eagle			37,122	9.83	37,261	9.74	34,749	9.24	31,319	8.29
Gulfstream			17,323	4.59	22,178	5.79	21,770	5.79	21,229	5.62
Delta			8,458	2.24	7,912	2.07	7,778	2.07	8,232	2.18
United Parcel Service			8,132	2.15	8,232	2.15	7,951	2.11	7,920	2.10
Continental			7,719	2.04	8,015	2.09	7,894	2.10	7,735	2.05
US Airways			6,598	1.75	7,748	2.02	7,472	1.99	6,996	1.85
LAN f.k.a. Lan Chile			5,687	1.51	6,326	1.65	6,105	1.62	5,484	1.45
IBC Airways			5,387	1.43	5,234	1.37	5,146	1.37	4,798	1.27
Avianca			4,445	1.18	4,238	1.11	3,852	1.02	3,218	0.85
All Others			131,201	34.75	134,384	35.11	131,305	34.92	139,672	36.99
Total			377,568	100.00	382,714	100.00	376,007	100.00	377,630	100.00

Source: Miami-Dade County Aviation Department.
Note: Table reflects only commercial flights and excludes military and general aviation flights. Percentages may not total 100% due to rounding.

Air Service Incentive Program

On July 10, 2007, the Board adopted the Airport's second Air Service Incentive Program ("ASIP2") developed by the Aviation Department. ASIP2 provides incentives for air carriers to establish scheduled domestic and international passenger flights and certain seasonal passenger flights, as well as freight flights from targeted international markets, by offering credits on Landing Fees for a maximum period of 12 months. The primary goal of the ASIP2 is to stimulate domestic passenger and international passenger and cargo service at the Airport, and to increase revenues at the Airport. Even with a waiver of Landing Fees, each new flight generates revenue, including but not limited to, concourse user fees, terminal rental and other fees, and PFCs.

Domestic and international air service qualify under the ASIP2. With respect to domestic service, any airline would qualify for the incentive program by establishing scheduled, year-round passenger service to any U.S. or Canadian destination from the Airport. With respect to international service, any airline would qualify for the incentive program by establishing scheduled, year-round, nonstop or direct passenger service to an international destination not currently served from the Airport by any airline. ASIP2 allows for any airline to commence scheduled passenger service on a seasonal basis for two consecutive years and receive a portion of the normal Landing Fee waiver, while being able to transition in the third year to a year-round scheduled service to receive the remaining percentage of the benefit from the two previous years. This new component to ASIP2 is available for service developed from what the Airport has termed Premium Markets around the globe. Additionally, freighter service scheduled on a year-round basis from select world regions will qualify for a reduced Landing Fee benefit over a one-year period. An airline that voluntarily or involuntarily suspends or terminates such service before the end of the 12-month period will be required to reimburse any discounts received under the ASIP2. The qualifying service must result in a net increase in the airline's total number of flights from the Airport to the destination, as compared to the same month of the previous year.

To mitigate any adverse effects to Landing Fees paid by Signatory Airlines and other airlines operating at the Airport, the Aviation Department will fund the ASIP2 through the Airport's Retainage Sub-account to offset the Landing Fees waived. Total Landing Fee waivers will not exceed $3 million within each Fiscal Year, and will be allocated to the airlines on a first-come, first-served basis. The ASIP2 duration is three years from its effective date of July 10, 2007.

As of September 30, 2008 two domestic passenger carriers, one foreign passenger carrier and one foreign all-cargo carrier have introduced service that qualifies for the ASIP2. The Landing Fee benefits have resulted in an estimated abatement of $294,418.00. As a result, the Airport benefits from new international cargo service to Luxembourg; and new international passenger service to Suriname, as well as new daily domestic passenger service to Phoenix, Arizona; Savannah, Georgia; and Sarasota, Florida.

CAPITAL IMPROVEMENT PROGRAM FOR MIAMI-DADE COUNTY'S AIRPORT SYSTEM

Airport System Master Plan

From 1991 to 1994 the Aviation Department developed a new Airport System Master Plan (the "Master Plan") to redevelop the Airport and to construct support projects for the County's general aviation airports. The Master Plan was approved by the Board in June 1994 and underwent a Master Plan Verification Analysis in April 1999, during which various consultants concluded that the general assumptions that defined the Airport's general development program remained valid. Based on anticipated traffic projections, the Master Plan sought to maximize and balance the capacity of the Airport within its boundaries. The primary components of the Master Plan were to modernize the Airport

facilities, support the changing airline industry, increase Airport capacity, accommodate changes in aircraft, and include numerous betterment projects for all the County-owned airports.

Cost Estimates

The CIP is an aggregation of projects to implement the Master Plan, and is managed by the Aviation Department. Projects financed and managed by third parties, such as certain tenant improvement projects, are not considered part of the CIP.

In 2002, the Board approved a CIP, with estimated expenditures of $4.8 billion through 2015, when enplanement levels were projected to reach 39 million annual passengers ("MAP"). The Board approved an increase in the cost of the CIP to $5.237 billion in June 2005 and a further increase to $6.2 billion in March 2007. The increases were primarily due to schedule delays and increased cost estimates. Effective October 2008, the Board approved a $30 million increase in the CIP budget for increased costs associated with the MIA Mover, funded by additional grant revenues. The Master Plan calls for the Aviation Department to undertake additional capital improvements when traffic exceeds 39 MAP, but no funding has been established for those improvements in the CIP and they are not discussed in this Official Statement.

The Aviation Department uses a target level of future airline cost per enplaned passenger ("CEP") to help guide its financial plans and policies. In establishing a CEP target, the Aviation Department weighs the capital and operating needs of the Airport and the economic needs of the County against the risks of a higher CEP, including less airline service, higher airfares and fewer enplaned passengers. In this process, the Aviation Department takes into consideration the passenger market and yields at the Airport, general economic conditions, the financial condition of the airline industry (particularly American Airlines), fares at competing regional and international gateway airports, and other factors.

In March 2003, the Aviation Department determined that the Airport should hold the CEP in Fiscal Year 2015 to no more than $30 (expressed in 2015 dollars). In March 2007, the Aviation Department increased the Fiscal Year 2015 CEP target to $35 (expressed in 2015 dollars), in recognition of the need to complete the CIP, notwithstanding recent increases in costs and their effect on the Traffic Engineers' forecast of CEP. From time to time, the Aviation Department plans to review and adjust, if appropriate, the CEP target level. *See* "REPORT OF THE TRAFFIC ENGINEERS."

To reduce increased pressures on the CEP, the Aviation Department has implemented and is considering various measures, including but not limited to, entering into private-public investment.

Summary of Programs

The CIP is categorized into the following programs:

- Airside Program
- Terminal Facilities Program
- Landside Programs (including MIA Mover)
- Airport Support Programs
- Cargo and Aircraft Maintenance Program
- General Aviation Airports Program

Each program consists of various capital projects. The CIP began in 1994 and those projects that are complete represent approximately 41.8% of the total cost of the CIP. Major capital projects completed include:

Airside Program

- New fourth runway (8L/26R) and associated parallel taxiways
- New mid-field dual taxiway system and high-speed exits
- Runway 9/27 rehabilitation
- New Air-Traffic Control Tower ("ATCT")
- Two new Aircraft Rescue and Fire Fighting ("ARFF") facilities
- Completion of re-construction of Midfield/Airfield

Terminal and Concourse Facilities

- North Terminal – Extension of Concourse D (added 11 international/domestic swing gates)
- Concourse A expansion (added 9 international/domestic swing gates)
- Renovation projects in Concourses E, F and G
- Relocation of Security Checkpoint to Concourse E
- New baggage handling systems
- EDS for baggage screening
- Upgrades relating to life safety systems, utilities, building code requirements and requirements of the Americans with Disabilities Act
- Phase II retail transition space preparation
- Terminal 2nd Floor Carpeting
- Concourse H glass glazing protection

Landside

- New 1540-space parking garage
- Various renovation and expansion projects for parking facilities
- Central revenue collection plaza for long-term parking garages
- Upper and Lower Terminal Vehicular Drives extension
- Perimeter fence for the aircraft operating area

Support Programs

- Premise Distribution System (PDS): A data and communications infrastructure throughout the Terminal that allows for installation of the systems listed below as well as other and future security and business systems
- Common Use Terminal Equipment (CUTE): allows flexible ticket counter and gate assignments to maximize usage
- Central Chiller Plant expansion to accommodate an expanding terminal
- Various security systems improvements throughout the terminal and at general aviation airports
- Environmental remediation projects including remediation of groundwater and soil contamination and removing asbestos
- MIA South Terminal Additional Security Rooms Equipment

Cargo and Aircraft Maintenance

- Six new cargo facilities totaling 1.09 million square feet of space
- New GAC ("General Aviation Center") Building

General Aviation Airports

- OPF Runway 12/30 improvements

The CIP programs and the major projects that comprise them are described below. The description does not include completed CIP projects, but only those that are in the design or construction phase.

Airside Program

The primary objectives of the Airside Program are to expand airfield capacity, enhance aircraft movement efficiency and safety, reduce delays, and accommodate changes in aircraft fleets. The total budget for the Airside Program is $342.3 million, of which approximately 89.3% has been expended through September 30, 2008. The only remaining major project is the Runway 8R/26L pavement reconstruction, which will extend its useful life.

Terminal Facilities Programs

The Terminal Building is divided into three areas, North, Central and South. Sixty-four percent of the CIP is allocated to reconstructing and expanding the North and South Terminals. The CIP will increase the building's area from 4.8 million to approximately 7.4 million square feet.

The total cost of the Terminal and Concourse renovation and expansion is approximately $4.513 billion, distributed as follows:

North Terminal Program	$ 2.894 billion
South Terminal Program	1.116 billion
Other Terminal Projects	0.503 billion
Total	$ 4.513 billion

The programs are described in detail in the following pages.

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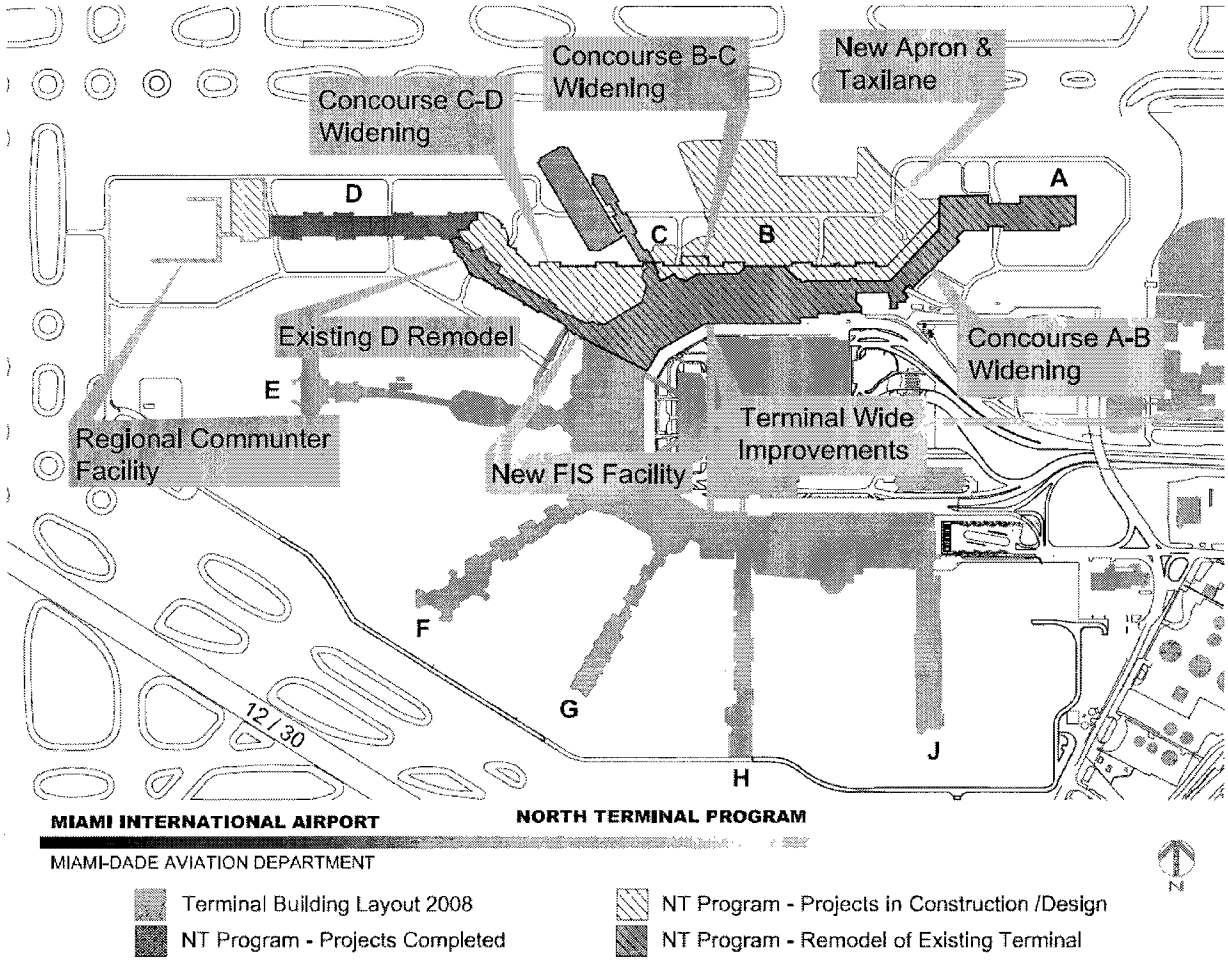

North Terminal Program

The North Terminal Development Program ("NTD") area previously consisted of Concourses A, B, C and D in a pier configuration. This area is currently being transformed from a series of separate concourses into a linear terminal which will increase gate utilization and connection efficiencies, supporting a major hub facility for American Airlines and its One World Alliance partners. The program eliminates Concourses B and C and widens the Terminal Building area between Concourses A and D. As part of the program, the Aviation Department is renovating 1.7 million square feet of the existing Terminal Building and adding 1.8 million square feet of new terminal/concourse space. The completed North Terminal will have 48 international/domestic swing gates, two regional jet gates, a FIS facility capable of processing 3,600 international passengers per hour, 242 ticketing positions (including 119 self-service units), a new gate delivery baggage system, and support systems capable of handling an international hub operation with at least 250 flights per day. It is expected to serve 70% to 73% of the passenger volume at the Airport.

Prior to July 2005, American Airlines managed the NTD for the Aviation Department, with the Turner Austin Airport Team ("TAAT") as the construction manager for all but Terminal Wide Improvements ("TWI") and several other construction packages. Effective July 2005, the Board authorized a restructuring which allowed the Aviation Department to exercise direct control over the NTD

and approved a contract with Parsons Odebrecht ("POJV"), a joint venture, to finish the TAAT scope of work. Because the County and POJV inherited a work-in-progress with many unknowns due to incomplete design and work, the risks are shared between the County and POJV pursuant to the terms of a contract that is a blend of contractor managed and general contractor formats. POJV's contract is for the procurement and management of all trade work necessary to complete the NTD. POJV also is currently serving as construction manager for the South Terminal Program.

Early bidding raised significant concerns as to the reliability of TAAT's 2005 estimate, which was based upon plans that were 35% complete. There were few bidders, and the bids received were significantly higher than anticipated. The Aviation Department subsequently commissioned a new cost estimate, prepared by U.S. Cost, Inc., a nationally-recognized firm, using a team of experienced construction cost estimators. The resulting estimate was based upon completed designs and was compared with newly received bids. As a result, various alternatives to keep the NTD within budget were considered, and a new CIP budget was developed.

After constructability and construction phasing reviews performed in 2006 by the Aviation Department staff, POJV and consultants, the NTD was re-phased and bid packages were revised. This process delayed the project schedule.

Further, in the time between the origination of the estimates and the Aviation Department's assumption of the project, costs for materials and labor increased dramatically due to a building boom in South Florida. The situation was exacerbated by the limited field of contractors willing to bid this project due to the number of outstanding claims on the project, contractor apprehension regarding risk escalation for longer-term contracts, and the County's stringent requirements for bonding, insurance, and airside access security screening.

The County renegotiated POJV's contract to reduce the risk to the County and reallocate responsibility between the County and POJV to take advantage of the contractor's ability to schedule and manage its work. The amended contract was approved by the Board on May 22, 2007. Of the total $2.8945 billion budget for the NTD, the POJV contract covers $1.045 billion in construction costs. The TWI construction package and several smaller construction packages are being bid out separately. The POJV renegotiation accomplished the following:

- Established fixed costs for Concourses A through D and completion work;
- Established that POJV will be responsible for its entire work schedule;
- Established that POJV will assume normal contractor risks;
- Established that the County will assume risks for hurricanes; and
- Established that POJV is required to coordinate work and schedule with other contractors and subcontractors.

POJV and the County have agreed upon a February 28, 2011 substantial completion date with a final completion date of March 28, 2011.

The revised scope of NTD maintains full functionality, significantly reduces the scope of the TWI project, and temporarily closed Concourse A in the fall of 2007. Closing Concourse A is reducing both construction cost and duration and simplifying the complex phasing of the NTD. It shifts most of the construction zone from airside to landside, reducing security screening requirements, increasing available

labor and encouraging contractor participation. It also provides easy access to most of the construction site and simplifies maintenance of traffic. The Aviation Department estimates that the foregoing efforts have reduced the projected construction time by two years, resulting in a net savings in project management costs.

The table below compares the budget and status of development for the NTD (core and support projects) from February 29, 2008, the date of the most recent status update, to September 30, 2008. The costs are categorized to aid in understanding the status of ongoing work versus work yet to be awarded. The "New Construction" category has the greatest risk for increase because it is affected by market conditions and escalation as well as the bidding environment. However, as most of the construction is underway and has moved to "Ongoing Construction," exposures due to market conditions generally are limited to yet to be awarded "New Construction" projects. The distinction between "core" and "support" is a holdover from the period when American Airlines managed a majority of work (deemed "core"), while the Aviation Department managed the balance of the work (deemed "support").

NORTH TERMINAL DEVELOPMENT PROGRAM
BUDGET AND STATUS OF DEVELOPMENT
(in millions of dollars)

	February 29, 2008 Budget Update	**September 30, 2008 Budget Update**
NTD CORE PROGRAM		
New Construction	$ 128.2	$ 70.2*
Ongoing Construction	1,622.4	1,680.6*
Additional Contingency	25.8	20.8**
Completed Work	667.6	672.2
Professional Services	337.7	337.9
Subtotal NTD Core	**$ 2,781.7**	**$ 2,781.7**
NTD SUPPORT PROGRAM		
New Construction	$ 99.3	$ 99.3
Professional Services	13.5	13.5
Subtotal NTD Support	**112.8**	**112.8**
TOTAL CORE PROGRAM	**$ 2,894.5**	**$ 2,894.5**

* Change from February 29, 2008 to September 30, 2008 reflects recent award of Regional Commuter Facility terminal project, included with "Ongoing" for the Core program.

** Recent utilization of these contingency funds is attributed to settling mediation with TAAT.

Approximately 57.0% of the $2.894 billion budget has been expended through September 30, 2008.

The Aviation Department management team has been reorganized and streamlined to accommodate contracting requirements of a general contractor. All of the Architectural/Engineering ("AE") contracts associated with the POJV scope of work and for Automated People Mover ("APM") and

Baggage Handling Systems ("BHS") have been modified to support the revised contract and revised schedule. Modifications to the AE support contracts are within the overall budget for the NTD.

PROGRESS AND ACCOMPLISHMENTS (since April 2008)

	Description of Progress and Accomplishments
Completion of Work left incomplete	Work left incomplete from termination of previous contractors, BC/CD building shells, D connector, APM maintenance facility, AB demolition, and CD Ramp level work have been completed. The completed Ramp Control Tower was commissioned by American Airlines in May 2008. Even though the uncovered scope resulted in utilization of more contingency funds than anticipated, the completion of these projects paved the way to progress construction on critical path new work.
Delivery of Major Equipment and Systems	In May 2008, all five trains with 20 cars were shipped from Japan and are securely stored in the maintenance facility and stations for the Automated People Mover (APM) system. APM contractor is progressing with work on stations, guideways and inside the control facility. Baggage Handling System (BHS) also received the delivery of critical CTX screening machines in May. BHS contractor is making significant progress towards completing the first operational milestone.
Manpower & Expenditures Ramping-up	As of September 2008, there is an average of over 1,250 workers on site daily and $40M of total expenditures in a month, which is expected to sustain in year 2008 and 2009. This construction volume makes North Terminal one of the largest ongoing construction projects in the Country.
Significant Construction Progress and New International Gates Operational	As also evident by the manpower and expenditures, there has been tremendous construction progress made towards phased completion of the terminal. Nearly the entire C-D terminal was completed and opened to public in August 2008. Three new international gates (two in April and one in May) were opened on schedule [and two additional gates are scheduled for opening in December 2008]. The A-B and B-C terminal shell spaces have been completed and finish-out work has started. Remaining work in the new Federal Inspection Services and existing D terminal has also started.
Terminal Wide started construction	Terminal Wide Project, which was re-bid and awarded under budget in early 2008, started construction in April. Project is progressing well and is contributing to the above stated overall field manpower and expenditures statistics.
Regional Commuter Facility (RCF) Terminal awarded under budget	Regional Commuter Facility after a number of airline required changes, was estimated to be over budget. The Aviation Department value engineered the project to reduce the scope and completed design of the terminal building within budget. After a highly competitive bid, the project was awarded in October under budget by several millions. Schedule impact caused by this redesign effort has also been mitigated.
Major Negotiations of Contracts from American Airlines Completed	Long negotiations with Automated People Mover contractor (SCOA) and Baggage System contractor (Siemens), the two large remaining contracts taken over from American Airlines, were finalized. Corresponding Change Orders have also been approved by the BCC. Cost exposure has been mitigated by supplementing North Terminal

budget by CIP contingency.

Completion of Remaining Design	Design documents for the remaining projects (i.e. RCF apron, Completion of D-Extension and Office Spaces at B-C 3rd level) have been completed. Projects are going through the process of advertising and bid.
Additional Funding Approved by TSA	TSA mandated requirements for 100% in-line baggage screening during construction significantly impacted North Terminal construction cost and schedule. After months of aggressive pursuing and negotiating by MDAD, TSA has agreed to reimburse $54.4 Million of the estimated $78.1 Million in impacts.
Broad Authority for Expedited Changes	Following months of discussions, in July 2008, the Board of County Commissioners granted the Aviation Director a broad authority to make expeditious changes to North Terminal contracts. This authority will save several months of the standard process requiring specific approval for every action.

EXPOSURES AND MITIGATION ACTIONS (since April 2008)

	Description of Exposure and Mitigation Actions
Multiple Contractor Interface	The complexity of North Terminal construction phasing and schedule presents tremendous coordination challenges for various building, apron and equipment contractors. This difficult interfacing with multiple contractors has a potential to impact program schedule and cost. MDAD is actively managing to limit such exposures.
POJV Schedule	Detailed schedule updates are submitted by the contractor on a monthly basis. These updates allow the Aviation Department to identify issues and their impacts to the program completion. The Aviation Department has worked with the contractor to mitigate all impacts prior to May 1, 2008 and is continuing to work on other potential impacts. Delays to program completion have a potential to result in additional overhead costs to the County for POJV and other related construction and professional contracts.
Terminal Wide Schedule	MDAD is working with the contractor to mitigate impacts to Phase 1 completion due to the delay in construction start. As directed by MDAD, the contractor submitted a recovery plan and its associated cost which is under review.
TSA Changes to Baggage Handling System	TSA is continuing to make modifications at this late stage to the automated Baggage Handling System for screening requirements. MDAD is aggressively negotiating such changes to limit this and access related impacts to the project. As directed by MDAD, Siemens is working on a mitigation plan.
NTD Contingencies	The construction contingency contained within the POJV contract is lower than desirable. With the allocation of some contingency for known potential exposures including extended overhead, the available contingency for unforeseen field conditions is less than 4% of the value of the remaining contract. At the current rate of utilization and owing to the extensive remodel work ahead, the POJV contract will need replenishment of its contingency in 2009. The Aviation Department is closely monitoring the adequacy of the contingencies within the NTP budget and within the CIP in general. When the contingencies are determined to be inadequate, the County

	can either (1) increase its equity contribution to the CIP by grants, such as a TSA reimbursement, for North Terminal security mandates, or (2) increase its debt. Although the Aviation Department cannot guarantee that it will not seek to increase its borrowing requirement above $5.353 billion in the future, the Aviation Department intends to use its best efforts to avoid such an increase.
Owners Controlled Insurance Program (OCIP) & Builders Risk Insurance	Extensions of OCIP and Builder's Risk insurance coverage to substantial completion have potential to increase the premiums. The Aviation Department and County's Risk Management have been working with the agent AON Risk Services to determine and mitigate such impacts.

South Terminal Program

The South Terminal Program ("STP") includes the terminal expansion from Concourse H to Concourse J, construction of a new Concourse J, internationalization of Concourse H, apron construction between Concourses H and J and related utilities infrastructure. Approximately 87% of the $1.116 billion budget for the core program and support projects was expended through September 30, 2008. Physical completion of the STP, however, is closer to 99%, reflecting the percentage of authorized construction costs only, expended through September 30, 2008.

The completed STP provides 1.5 million square feet of new and 0.2 million square feet of renovated terminal and concourse space. The South Terminal has a total of 28 gates, on Concourses H and J, of which 19 are international/domestic including one which will be designated for Airbus A-380 operations. The South Terminal currently supports 190 ticketing positions. South Terminal serves as a medium-sized hub for the Star Alliance (including United Airlines) and the Sky Team Alliance (including [Delta Airlines]). At such time as the CIP is complete, the South Terminal is expected to handle 20% to 22% of the passenger volume at the Airport. Changes in both air service and airline alliances have caused the Aviation Department to adjust the mix of airlines scheduled to occupy the South Terminal, with Sky Team and Star Alliance members remaining the primary occupants.

The STP was designed and the bid was negotiated prior to September 11, 2001. Increased security measures implemented after 9/11 required extensive redesign of the STP, which resulted in scope changes, delays and cost increases. Changes in technology and reconfiguration of the premise distribution system to meet current operating needs resulted in further scope changes, delays and cost increases to STP.

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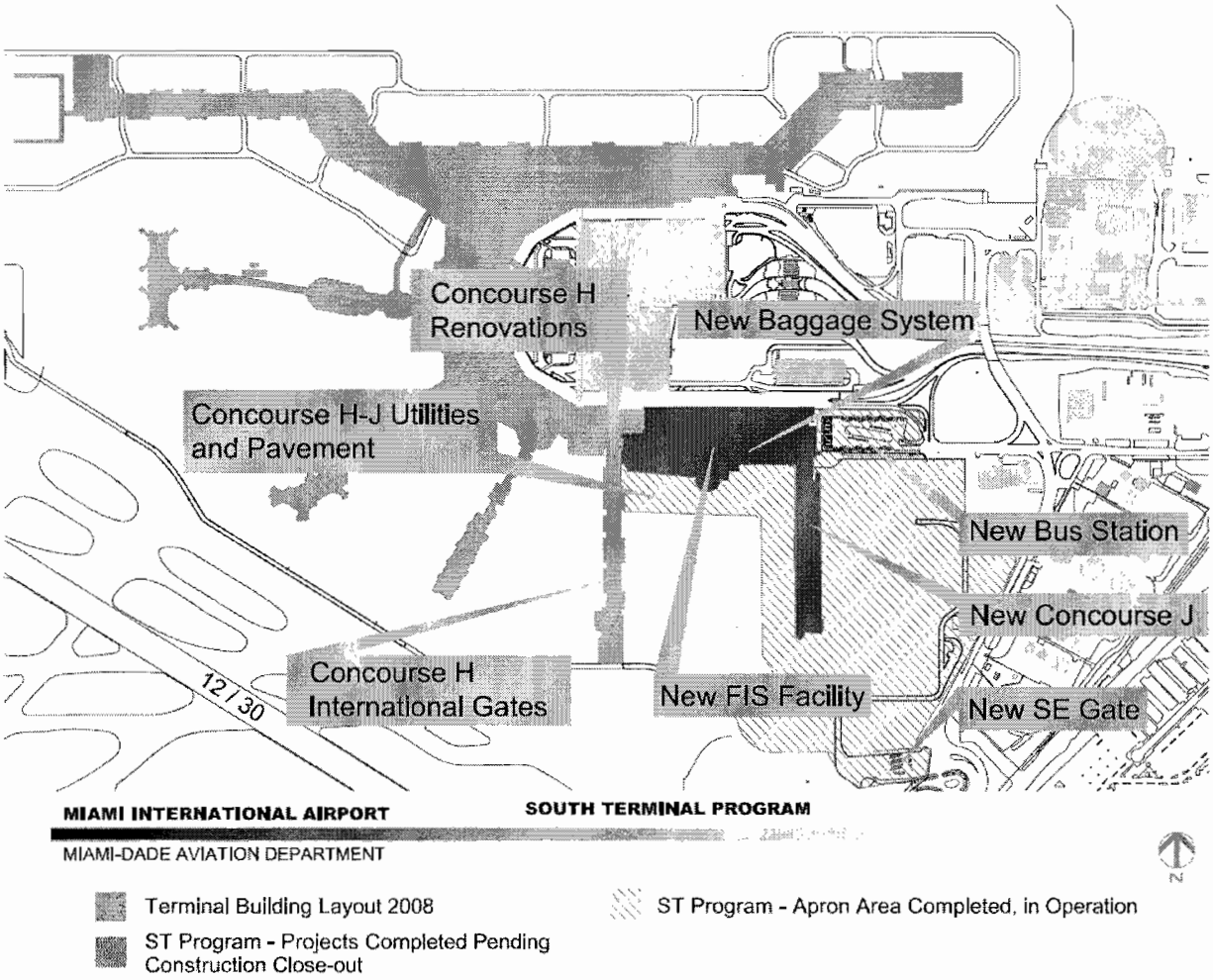

As required by changing conditions, the Aviation Department has increased the budgets for the STP and has extended schedules for the completion of the STP from time to time. Notwithstanding the increased budgets and extended schedules, the first domestic flight from South Terminal occurred on August 29, 2007, and the first international flight into the facility occurred on September 14, 2007 and the first flight from Concourse J occurred on September 24, 2007. The Aviation Department and the construction manager, POJV, previously set the contractual substantial completion date (1) for Phase I (all work except for all renovations of the existing terminal space adjacent to Concourse H) at June 2007, and (2) for Phase II (Concourse H minor renovations) at November 2008. The contractor, however, is behind schedule.

In February 2008, POJV transmitted its proposed final claim in the amount of $42.5 million. On May 13 and 16, 2008, POJV forwarded claim supplements to its February claim certifying $65 million under Ordinance 99-152, which is the County's False Claims Ordinance, a $22.5 million increase. The POJV claim asserts entitlement to 210 compensable days for events or conditions occurring between May 5, 2006 and September 19, 2007. Negotiations began on August 27, 2008, and a series of follow up meetings occurred in September and October 2008. Approximately $11 million of the certified amount relates to POJV claimed entitlements and approximately $31.5 million relates to POJV's

certification of its trade contractors' total claims. [POJV is further evaluating the trade contractors' claims and after completing its evaluation may adjust the claimed amounts accordingly.]

It should be noted that POJV has been sued in Florida state court by its subcontractor Hensel Phelps. Also, POJV's and Hensel Phelps' bonding companies have been sued in Federal Court by four of Hensel Phelps' subcontractors. The County to date has not been adjoined to any legal action. We continue to work with POJV on an amicable non-legal resolution.

Other Terminal Projects

This program consists of expanding Concourse A by 9 gates to 20 gates and making improvements to the existing Central Terminal. This collection of projects is valued at $502.8 million and is approximately 84.9% complete. The major project remaining to be completed is improvements to the existing Central Terminal. Central Terminal includes the terminal and concourse areas between Concourses E, F and G. The airlines that will operate in this area are the domestic and international non-aligned airlines. At such time as the CIP is complete, the Central Terminal is anticipated to handle 5% to 10% of the passenger volume at the Airport. The improvements yet to be completed include life safety and building code upgrades, major repairs to the Terminal roof, tenant relocations to and from the renovated areas and procurement of new passenger loading bridges.

Landside Programs

Roadways and Parking

This program improves ground access to the Airport, primarily by relocating the Airport's perimeter roadway, extending the Terminal Building's upper and lower drives to accommodate the South Terminal expansion; and increasing parking capacity and centralizing and automating the parking revenue collection process. The program is valued at $162.8 million of which approximately 86.2% was spent through September 30, 2008. Significant projects yet to be completed include improvements to the Perimeter Road and an upgrade of the Airport's short-term parking facilities. The Perimeter Road project will secure the fuel tank farm area and allow for traffic to bypass the aviation fuel storage tanks and allow the tanks to be accessed only through airside. The benefits of this change in access are 1) increased security in an area storing highly-flammable material and 2) increased safety by removing fuel tanker trucks from the public roadways.

MIA Mover Program

The Aviation Department is committed to constructing an elevated automated people mover system known as the MIA Mover, connecting the Terminal Building to remote ground transportation facilities at an inter-modal hub to be built by the FDOT. It is part of a larger FDOT project, the MIC, a core transportation building and the adjacent RCF (consolidated rental car facility). The MIC will enable passengers to reach the RCF, Metrorail, Tri-Rail and Amtrak transportation systems. The project is one means of eliminating congestion on the Terminal Building curbs and access roadways.

The current plan calls for the MIA Mover to have two stations. One will be between the Airport parking garages, connected to the Terminal Building by moving walkways. The other will be located at the RCF, west of the MIC.

The Aviation Department has issued a Request for Proposals to developers for a Design, Build, Operate and Maintain (DBOM) contract for the MIA Mover. Three bids, all above the budgeted amount, were received and rejected in November 2007, and the Aviation Department entered into negotiations with the three bidders to reach agreement for a project price within the current budget. Only one bidder,

POJV, submitted a final bid, which was significantly greater than the current $221.5 million budget. After obtaining an independent cost estimate for the work, the County's negotiations with POJV resulted in a total project cost for the MIA Mover program that was approximately $30 million over the current approved budget. The contract was awarded in June 2008 to POJV. The Aviation Department was granted a $30 million increase in the CIP budget from the Board in September 2008 to fund the increased project cost. The source of funding for this cost increase is Florida Department of Transportation grant funds.

Construction should be completed in the fourth quarter of 2011. The County has committed to the State that construction will be completed within two years of completion of the RCF, which is expected to open in late 2009. This program is currently budgeted at $253.4 million (net of a $46 million one-time FDOT grant). Through September 30, 2008, approximately 11.2% of the budgeted amount has been spent.]

Support Programs

These programs support the Airport System functions, including environmental remediation and utility infrastructure, security and business systems. The program budget is $715.7 million (including a $30 million contingency) of which 88.2% has been spent through September 30, 2008. The majority of the environmental remediation and utility infrastructure projects are complete; security and business systems projects are ongoing.

The security program's components include access control (approximately 20%), screening passengers with carry-on baggage (approximately 5%), screening checked baggage (approximately 30%), the technical system that supports these applications as well as the business systems applications described below (approximately 40%), and other miscellaneous costs (approximately 5%). The cost of the security program is approximately $365 million, including $153 million for the technical system. Of the $365 million, approximately $275 million is included in the North and South Terminal and other program budgets. The $90 million balance is included in the Security Program budget. Grant revenues of approximately $84 million are forecast as sources of equity funding for the $365 million security budget. The Aviation Department is seeking additional funding from the TSA to offset the cost of baggage screening in the North Terminal.

The business systems program replaces obsolete information systems and provides similar systems for newly constructed facilities. The applications include:

- Airport Operation Information System (AOIS): supplies new flight information displays as part of a system that provides computer-based flight and operational data resource management tools (automated planning of gate, ticket counter, baggage systems and baggage claim carousel usage).
- Building Management System (BMS): automates the management of electrical, air conditioning, fire alarm and other building systems.
- Public Address System Infrastructure (PASI): a new public address system which includes fire annunciation and visual paging for the hearing-impaired.

Cargo and Aircraft Maintenance Program

This program primarily upgrades and expands cargo processing and aircraft maintenance facilities located on the west and north sides of the Airport. Projects include new and upgraded cargo processing buildings, facilities to support the cargo processing function (a new facility for clearing

arriving international cargo and private flights), a new facility for clearing international arriving animals, and improved drainage in an area used by aircraft maintenance businesses.

The only projects not yet complete are the clearing facility for international arriving animals and the improved drainage projects. The clearing facility will consist of a 64,000 square foot facility which includes an import and export barn area, 102 animal holding quarantine stalls, and an aviary.

The program budget is $189.1 million of which 87.6% has been spent through September 30, 2008.

General Aviation Airports Program

This program consists of runway and taxiway improvements, security improvements and support facilities at the County's three general aviation airports (Opa-Locka, Kendall-Tamiami and Homestead). The program's budget is $53,751,534.

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CIP Expenditures

The following table is an overview of the status of the CIP expenditures, by major programs. As of September 30, 2008, $4.370 billion has been expended on all projects in the CIP.

CIP BUDGETS AND EXPENDITURES BY MAJOR PROGRAM[1]
(in millions)

Programs	September 30, 2008 Budget Update	Expended to Date	Percent Expended
Airside Program	$ 342.3	$ 305.7	89.3%
Terminal Facilities Program:			
North Terminal [2]	2,894.5	1,648.5	57.0
South Terminal [2]	1,115.6	970.4	87.0
Other Terminal Projects	502.8	426.7	84.9
Landside Program:			
Roadways & Parking	162.8	140.3	86.2
MIA Mover [3]	253.4	28.5	11.2
Support Programs[4]	715.7	631.6	88.2
Cargo and Aircraft Maintenance Program	189.1	165.7	87.6
General Aviation Airports Program	53.7	52.9	97.7
Total CIP Budget:	$6,230.0	$4,370.0	70.1%

(1) All data as of September 30, 2008. Capital projects funded by discretionary pay-as-you-go money from the Improvement Fund are not included in this table.
(2) Includes support projects.
(3) The MIA Mover budget is net of a one-time $46 million FDOT grant.
(4) Indirect costs are budgeted in each CIP program but actually charged to the Support Program only. For purposes of this table, the $239 million in indirect costs that have been charged through September 30, 2008 is allocated among the CIP program in proportion to the direct costs incurred by each program.

Long-term planning continues to be challenged by the rapidly changing aviation industry. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – Significant Events." It is possible that some new projects not now reflected in the CIP could be added to the CIP.

Cost Increases, Claims, Schedule Delays, Disputes with Contractors and Other CIP Risks

The CIP is a large and complex undertaking. The County's ability to complete the CIP consistent with the Airport's needs and available funding sources will be affected by a number of factors. These include, without limitation, (1) estimating errors and omissions, (2) design and engineering errors and omissions, (3) changes to the scope of the projects, (4) disputes under existing and future contracts, (5) costly changes resulting from interpretations of the County Building Code and other regulations, (6) application of the County's Art in Public Places ordinance, (7) delays in contract awards, (8) material and/or labor shortages, (9) unforeseen site conditions, (10) adverse weather conditions, (11) contractor defaults, (12) labor disputes, (13) unanticipated levels of inflation, (14) environmental issues, and (15) the ability of the County to meet the tests set forth in the Trust Agreement for issuing Additional Bonds and to sell the Additional Bonds needed to finance the CIP.

As described above, the County has encountered a number of difficulties that have significantly extended the duration and increased the cost of various CIP projects. These include construction cost escalation, labor shortages, unexpected increases in the costs of payment and performance bonds, unforeseen construction conditions, claims by contractors for additional payments substantially in excess of original bid amounts and costs imposed by compliance with interpretations of the requirements of the County's Building Code and other governmental restrictions on construction projects. These difficulties have generally been exacerbated for contracts effectively assumed by the County when it obtained the right to exercise direct control over the entire North Terminal Program. While the Aviation Department has instituted a number of procedures and programs to address these issues described above, there can be no assurance that such difficulties will not continue.

While the Aviation Department has not revised its total CIP cost estimates since March 2007, with the exception of an additional $30 million for the MIA Mover program, it recognizes that total costs may be materially increased by the time the CIP is completed. Of the $6.2 billion currently approved budget, as of September 30, 2008, $2.6 billion represents completed projects. The balance of $3.6 billion represents projects still subject to the risks inherent in construction, including subsequent claims by contractors for additional payments. Of this $3.6 billion, bids are not yet awarded for $415 million, and therefore these project budgets are also still subject to the risk that bids will be in excess of amounts reflected in the current budget.

As of September 30, 2008, the program-wide contingency is $28.8 million. A portion of the contingency was used to augment the North Terminal and the South Terminal budgets. *See* " – Terminal Facilities Programs – North Terminal Program" and " – Terminal Facilities Programs – South Terminal Program" above. An additional $31 million of the contingency was allocated to indirect costs of the CIP through September 30, 2009. The program-wide contingency has been partially replenished with (i) the unexpended balances of certain closed projects that were completed under budget, (ii) the deletion of certain projects from the program, and (iii) the transfer of certain projects to the operating budget.

The Aviation Department is closely monitoring the adequacy of the remaining amount of contingencies within the existing CIP budget. When such contingencies are determined to be inadequate, the County can either (1) increase its equity contribution to the CIP by, for example, a TSA reimbursement for North Terminal security mandates, an increase in the level of authorized PFCs, or an increase in CFCs to offset the increased cost of the MIA Mover program, or (2) increase its debt. Although the Aviation Department cannot guarantee that it will not seek to increase its borrowing requirement above $5.353 billion in the future, the Aviation Department intends to use its best efforts to avoid such an increase. *See* "– Terminal Facilities Programs – North Terminal Program" above. The County expects to incur $35 million of indirect costs on behalf of the CIP, from October 1, 2009 through Fiscal Year 2015, that are not yet budgeted.

Peer Review Findings and Response

In January 2007, an independent panel of experienced aviation and airport professionals ("Peer Review Group") performed a review and assessment of the CIP ("Peer Review Report") with respect to the Airport's implementation strategy and management proposed for the completion of the NTD, the STP and other programs included in the CIP. The Peer Review Group considered: (1) the projected estimates of costs to complete the work at the North Terminal and the South Terminal and other programs, (2) projected milestones and schedules, (3) the policies and practices of the Aviation Department and the County for claims management, construction management, and program management, and (4) the impact of the CIP on the Airport's financial plan.

Set forth below are certain key findings and recommendations of the Peer Review Report and, in italics, the response by the Aviation Department:

1. The completion of the NTD is critical to the future of the Airport. *The Aviation Department agrees.*
2. The Aviation Department should compress the scheduled timeframes for construction of NTD and reduce costs of NTD. *Schedules have been compressed but must remain realistic. Schedules are updated monthly.*
3. The Aviation Department should renegotiate POJV contract to convert it to a lump-sum general construction contract form. *The negotiations took place, but agreement was not reached on a "General Contractor" format using the standard contract framework of the Aviation Department. Working with the County Attorney's Office, however, a modified GC format was agreed upon which creates lump sum prices for the majority of work. This was agreed to by the Aviation Department and POJV, and ultimately approved by the Board. Other projects, including the Terminal Wide Improvements (TWI) and the Regional Commuter Facility, are being packaged for bidding as general contractor contracts using standard contract documents of the Aviation Department.*
4. The Aviation Department should realign and reorganize its management team to fit the renegotiated POJV construction contract. *The Aviation Department management team for the NTD has been trimmed down and realigned to match up with POJV organization for construction. Closer coordination with the department director is also a feature of the realigned organization.*
5. Concourse A should be temporarily closed and the airlines operating in Concourse A should be relocated to other areas in the terminal complex as soon as possible in order to facilitate construction phasing for NTD. *This has been accomplished.*
6. The Aviation Department should become more proactive in building bridges with the contracting communities. *A continuing outreach program is underway. Pre-bid meetings have been held on all new work. A contractor's workshop was held in December 2006. [A follow-up meeting is currently planned for the summer of 2008.]*

The report also makes recommendations to improve management policies and practices, to plan for contingencies for high risk items, to find alternative financing resources for the CIP (including third-party financing of projects), to bolster financing capacity, to expand and strengthen the contractual relationship with American Airlines, and to endeavor to sustain growth in airport passenger and cargo traffic.

The Aviation Department expects to ask that the Peer Review Group meet periodically over the duration of the NTD, to assist the Aviation Department in assessing progress and conformity with the established goals.

FUNDING SOURCES FOR THE CIP [TO BE UPDATED]

Funding for the CIP will be provided from bond and note proceeds, anticipated federal and state aviation grants, PFC revenue and interest income. Factors that may alter this proposed funding approach include, but are not limited to: differences in the actual amounts of federal and State grants; the risk of termination of PFCs; and the addition and deletion of projects. The Series 2009 Bonds represent the most recent bond funding under the Authorizations. It is expected that Additional Bonds for the CIP through the year 2011 will be issued pursuant to the Authorizations on a periodic, as-needed, basis. In addition, the Aviation Department intends to continue its use of the CP Notes to facilitate the construction of the CIP by means of short-term temporary financings pending longer-term refinancing through Airport Revenue Bonds. *See* "AVIATION RELATED DEBT – Commercial Paper Notes."

CIP FUNDING SOURCES [a]
Miami-Dade County Aviation Department
as of September 30, 2008
(in thousands)

		Funding Sources					
Program Description	**Program Total**	**AIP Grants**	**FDOT Grants**	**Pay-as-you-go PFC Revenue [b]**	**Other Funds [c]**	**Aviation Revenue Bonds Paid with PFC Revenue [d]**	**Aviation Revenue Bonds Paid with Airport Revenue**
Airside	$ 344,253	$205,004	$64,136	$11,551	$ --	$ --	$ 63,562
Terminal & Concourse Facilities:							
• North Terminal [d]	2,894,454		7,166		105,000	847,386	1,934,902
• South Terminal [e]	1,113,457	34,193	51,386	21,789	20,046	446,256	539,787
• Other Terminal Projects [f]	503,502	12,792	14,452	82,207			394,051
Landside:							
• Roadways & Parking	161,252		30,449	49,343			81,460
• MIA Mover [g][h]	221,509		21,526				199,983
Support Programs	719,429	35,534	39,362	11,773	2,713		630,047
Cargo and Aircraft Maintenance	189,107	3,694	29,200				156,213
General Aviation Airports	53,037	16,842	6,701				29,494
Total CIP:[h]	**$6,200,000**	**$308,059**	**$264,378**	**$176,663**	**$127,759**	**$1,293,642**	**$4,029,499**

(a) All data as of September 30, 2008. This table reflects the $6.2 billon approved CIP Budget and excludes any capital projects paid with Improvement Fund monies.
(b) Based on the FAA approved PFC applications (#1, #2, & #3).
(c) Represents the American Airlines contribution of $105.0 million, the TSA funding of $20.0 million for South Terminal security projects and $2.7 million for security equipment acquisition and installation.
(d) Based on the FAA approved PFC application #4, which also includes financing and issuance costs related to these programs, but are not included in the costs on this table.
(e) Includes "support" projects.
(f) Includes Concourse A – Phase 2, which is was closed out in 2002.
(g) The MIA Mover budget is net of $46 million in FDOT grants awarded.
(h) As of May 9, 2008, the cost estimate for the MIA Mover program increased by $30 million to $251.5 million. This increase results in a commensurate increase in the total CIP (from $6.2 billion to $6.23 billion). It is anticipated that Double Barreled Bonds (as hereinafter defined) will be used to fund the total cost of the MIA Mover, including any cost increases.
Source: Miami-Dade County Aviation Department.

Federal Grants

The Airport and Airway Improvement Act of 1982, as amended by the Airport and Airway and Safety and Capacity Expansion Act of 1987, created the AIP administered by the FAA and funded by the Airport and Airway Trust Fund financed through federal aviation user fees and taxes. Grants-in-aid funds for airport infrastructure improvements to enhance safety, security, capacity and access are made available to airport sponsors in the form of "entitlements" and "discretionary" allocations for eligible projects. The AIP "entitlement" grant amounts vary annually and are based upon an airport's level of enplaned passengers in the prior calendar year and air-cargo landed weight in the prior calendar year, the amount of funds, appropriated by Congress and any revisions to the statutory formula for calculating such funding. The AIP "discretionary" funds are selectively disbursed based on the competitiveness of the project within the national priority system established by the FAA and are also affected by Congressional actions.

For Fiscal Years 2004 through 2007, an FAA reauthorization bill signed into law on December 12, 2003, authorized AIP funding starting at the then current levels (i.e., for Fiscal Year 2003) for Fiscal Year 2004 and slightly increasing each year thereafter. Appropriation bills were signed into law for Fiscal Year 2004 through Fiscal Year 2007, with funding levels similar to past fiscal years.

For Fiscal Year 2008,Congress enacted legislation to extend the AIP funding at approximately 75% of the Fiscal Year 2008 AIP obligation authority for the nine month period beginning October 1, 2007 and ending June 30, 2008. This amount was based on an annualized amount of $3.675 billion, which is consistent with past funding levels. A new reauthorization bill has been approved by the House and conflicting reauthorization bills are under consideration by the Senate. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – Federal Legislation." There is no assurance that the funding levels will be maintained under the proposed reauthorization legislation for Fiscal Year 2009.

Federal aviation grants apportioned (for entitlements) and awarded (for discretionary) to the County for the last five Fiscal Years are as follows:

Fiscal Year	Entitlement		Discretionary	Total
	(Passenger)	(Cargo)		
2007	$4,530,691	$5,554,060	$16,012,452	$26,097,203
2006	4,386,399	5,522,311	7,550,000	17,458,709
2005	4,262,672	5,293,844	13,722,084	23,278,600
2004	3,721,264	5,524,297	10,520,365	19,765,926
2003	4,879,836	4,227,353	7,142,084	16,249,273

Source: Miami-Dade County Aviation Department.

In Fiscal Year 2004, the passenger entitlement grant amount decreased because it excluded $1.5 million in funds that had been received in the prior fiscal year.

In Fiscal Year 2001, the FAA issued a Letter of Intent award ("LOI") of $101,040,000 for the capacity-enhancing fourth runway project. The LOI was amended to $104,040,000 on March 11, 2004 to include $3.0 million for the renumbering of the runways at MIA. In March 2006, effective Fiscal Year 2007, the FAA approved and authorized the Aviation Department to utilize $2,512,569, which was remaining in the approved LOI amount for the Tract One apron drainage, grading and pavement improvement project by amending the scope of the LOI; this did not result in an increase in the maximum obligation of the LOI amount of $104,040,000. The remaining balance of the eligible 75% share of the Federal contribution of the estimated $15 million Tract One project is to be funded through two separate installment grants totaling $8,720,307. An LOI is a statement of intent by the FAA to provide the funds set forth in the LOI and serves to assure higher discretionary funding levels through 2010 for the Tract One project. An LOI, however, is not a legal obligation of the United States and is subject at all times to funds being appropriated by Congress. Because the AIP is periodically re-authorized with appropriations approved annually, there can be no guarantee as to the future level of annual funding, the future of the AIP, the AIP entitlement amounts apportioned to the Airport, or the amount of AIP discretionary funds awarded to the County for the Airport and other airports within the Airport System. The LOI for $104,040,000 represents a maximum of 75% of the estimated eligible runway and apron drainage costs (referred to hereafter in this section as the "costs"). Amounts under the LOI scheduled for payment in the years 2000 through 2007, which totaled $81.39 million, were received by the Aviation Department as expected. The remaining LOI payments of $22.65 million are scheduled to be paid out through 2010.

State Grants

Aviation projects throughout the state are funded by the State through fuel taxes. About 60% of state airport funding comes from the aviation fuel tax, with the remaining 40% generated by highway fuel taxes. State funding of aviation projects is made through FDOT under Chapter 332 of the Florida Statutes. Florida's aviation grant funds are non-competitive grants for non-exclusive use capital projects

that are similar to the scope and eligibility criteria of projects eligible for FAA funding. These grants are generally used to supplement federal and local funds by providing 50% of the County's local share of eligible project costs at the Airport and the general aviation airports when federal funds are available or 50% of the County's eligible project costs at MIA and 80% at the general aviation airports when federal funds are not available. FDOT personnel are authorized to commit State aviation grant funds through its five-year capital improvement program, known as the five-year work plan, to publicly owned, public use airports in the State. FDOT bases its grant allocations on FDOT funding policies that give priority to matching federal funds and projects involving safety, security, preservation and maintenance of facilities and capacity.

In addition, due to the events of September 11, 2001, a special one-time program, the Flexible Airport Funding Program as authorized under Chapter 2001-349 Laws of Florida (revised July 30, 2002), enabled the County to reallocate funds from certain projects in Fiscal Years 2001-2005 to assist in paying for the security-related operational and capital costs incurred from these events. The amount of FDOT Flex Fund grants available to the County are broken out as follows:

Revenue Loss	$ 9,282,496
General Aviation Airports Capital	5,168,092
MIA Capital	29,372,494
Total	$ 43,823,082

These flexible funds do not require a local match. They are 100% funding eligible for reimbursement for capital and operating costs related to airport operations, planning, design and construction incurred between September 11, 2001 and June 30, 2006. The grants for the Aviation Department's flex-funds expire June 30, 2008. The Aviation Department has not undertaken all of the projects originally envisioned and does not expect to draw down the last approximately $12.3 million of these grants.

All FDOT grants received by the County for the last five Fiscal Years are as follows:

Fiscal Year	AIP	Discretionary	Flex Funds	Total Collected
2007	$10,593,298	$4,328,735	N/A	$14,922,033
2006	6,730,420	8,331,000	N/A	15,061,420
2005	6,228,000	8,900,000	N/A	15,128,000
2004	9,047,000	5,478,000	N/A	14,525,000
2003	4,368,000	4,000,000	$43,823,082	52,191,082

N/A = Not applicable

The Aviation Department anticipates receiving $12-13 million in FDOT grants in Fiscal Year 2008. FDOT aviation grants anticipated by the County through its five-year work plan (Fiscal Years 2008 through 2012) are estimated to be between $130-180 million conditioned on the MIA Mover and Central Boulevard projects proceeding. In earlier 5-year work programs, FDOT allocated $80 million for the MIA Mover Design, Build, Operate and Maintain Project with $23,432,735 in Aviation FDOT and $43,093,998 in Highway FDOT funds remaining after FDOT was reimbursed $13,473,267 pursuant to Board resolution R-1259-02 approving a Joint Participation Agreement for MIC roadway and MIA Mover guideway foundation work at the MIC site. There are several important airfield and landside capacity projects which FDOT is planning to fund in future years, but for which no local matching funds are yet budgeted. These projects include the widening of Central Boulevard, the Airport's primary access roadway and the terminal/gate improvements necessary to accommodate the next generation of "super jumbo" aircraft including the Airbus A380 and the Boeing 747-800.

Passenger Facility Charges

Under federal legislation governing the imposition of Passenger Facility Charges (the "PFC Act"), the FAA may authorize a public agency to impose a Passenger Facility Charge ("PFC") of $1.00, $2.00, $3.00, $4.00 or $4.50 on each passenger of an air carrier enplaned at any commercial service airport controlled by the public agency, subject to certain limitations. PFCs of up to a $3.00 level are available to airports to finance specific eligible projects that: (i) preserve or enhance capacity, safety or security of the national air transportation system; (ii) reduce noise resulting from an airport; or (iii) furnish opportunities for enhanced competition among air carriers. To obtain approval for a higher $4.00 or $4.50 PFC level, the Aviation Department must prove that the project makes a significant contribution to improving air safety and security, increasing competition among air carriers, reducing current or anticipated congestion, or reducing the impact of aviation noise on airport surroundings.

As of February 2008, 333 U.S. airports, including MIA, were collecting PFCs to finance capital projects. The FAA estimates that airports will collect $2.7 billion in PFCs during 2008. Currently, PFCs are capped at $4.50 per segment of flight (up to a maximum of $18.00 on a round trip). As discussed above, current pending federal legislation contemplates the PFC being increased to $6.00 per segment. Should such an increase be authorized in Fiscal Year 2008, airports increasing their PFCs to that higher level may forego all AIP entitlements. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – Federal Legislation."

The amount of actual PFC revenues will vary depending on actual levels of passenger enplanements at the Airport and, accordingly, no assurance can be given as to the timing or amount of PFC revenues that will be available. The FAA may terminate the Aviation Department's ability to collect PFCs if the FAA determines that the Aviation Department is in violation of the PFC Act or the regulations promulgated under the PFC Act ("PFC Regulations") or certain provisions of the Airport Noise and Capacity Act of 1990 (the "Noise Act"). Both the PFC Regulations and the Noise Act, however provide procedural safeguards that limit the FAA's ability to summarily terminate the Aviation Department's ability to impose PFCs.

Under the PFC Regulations, PFC revenues can only be used to pay the costs of approved projects or debt service and financing costs associated with bonds issued for such projects. PFC revenues are currently not defined as Revenues under the Trust Agreement and must be applied specifically as required by the PFC Regulations. Accordingly, PFC revenues are not pledged to or held by the Trustee for the benefit of the owners of the Bonds unless and until they are specifically pledged pursuant to a resolution of the Board. However, the County intends to continue its current practice of depositing a portion of the PFCs into the Sinking Fund before or at the beginning of each Fiscal Year, which is credited against the Principal and Interest Requirements on the Bonds for that particular Fiscal Year. The Aviation Department transferred $81.6 million in PFC revenues to the Sinking Fund for payment of the Fiscal Year 2008 Principal and Interest Requirement, with such revenues generated in part from PFCs collected in prior years but not yet expended.

The FAA authorized the Aviation Department to impose a PFC of $3 per passenger commencing November 1, 1994. On October 21, 2001, the FAA approved a PFC collection level of $4.50 with an effective date of January 1, 2002. On December 2002, the FAA approved an application that enables the Aviation Department to use PFC revenues to pay debt service for certain approved projects. Currently, the only such "approved capital projects" (along with the related financing costs) at the Airport are the North and South Terminal Programs.

The Aviation Department has been authorized to collect PFCs in the estimated aggregate amount of $2,757,442,341 over the next 30 years, including interest. The authorization is expected to expire

October 1, 2037. [The amount of PFC collections from inception through September 30, 2008 was $583.1 million and with interest was $645.5 million. Of this amount, the Aviation Department has expended $459.2 million as of September 30, 2008.] Under generally accepted accounting principles, PFCs are reported as non-operating revenues. Aviation Department annual PFC collections since inception through September 30, 2008 are as follows:

Fiscal Year	PFC Collections
1995	$ 24,338,247
1996	38,187,434
1997	35,491,604
1998	36,424,124
1999	39,164,381
2000	35,707,692
2001	37,298,407
2002	42,868,403
2003	50,746,842
2004	53,877,379
2005	53,969,695
2006	51,978,979
2007	59,295,761
[2008] FYTD2009	[_____]

The forecast PFC revenue for Fiscal Year 2009 through Fiscal Year 2019 as determined by the Traffic Engineers based on its underlying enplaned passenger forecast during this period (see "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS") is as follows:

Fiscal Year	Estimated PFC Revenue To Be Collected
2009	57,617,000
2010	59,037,000
2011	60.508,000
2012	62,026,000
2013	63,573,000
2014	65,166,000
2015	66,804,000
2016	68,476,000
2017	70,196,000
2018	71,952,000
2019	

Other Revenues

American Airlines has agreed to contribute $105 million toward the costs of settling claims and completing NTD. Its contribution will be paid over 10 years effective July 1, 2005 as delineated in the Claims Administration Agreement between American Airlines and the County and acknowledged by American Airlines in the First Amendment to its AUA. If American Airlines fails to make any payment according to schedule, the Amendment to the AUA provides that the County shall be entitled to recover the unpaid balance of the $105 million payment through a surcharge due by American Airlines for its use

of facilities at MIA. [As of September 30, 2008, the Aviation Department has received $40 million from American Airlines.]

In Fiscal Year 2006, TSA issued a one-time $20 million "other transaction agreement" for in-line EDS for South Terminal. Though this constitutes revenue from a federal agency, it is not considered a traditional FAA type grant, hence the distinction in reporting.

Although the Aviation Department is seeking additional CFC authorization to offset a portion of the $30 million increase in the cost of the MIA Mover program, for purposes of the Series 2009 Bonds, the Aviation Department and the Financial Advisor have assumed no additional equity contribution from CFCs.

Bond Authorizations

Ordinances previously enacted by the Board have authorized the issuance of up to $6.2 billion in aviation revenue bonds, of which approximately $4.142 billion have been issued prior to the issuance of the Series 2009 Bonds, with the remaining $2.058 billion authorized but not issued to fund projects at the Airport. The issuance of aviation revenue bonds to finance costs of the CIP beyond the authorized amounts would require enactment of an additional ordinance or ordinances by the Board. Refunding bonds are not limited by such authorizations.

In addition, in 1986, the electorate of the County authorized the issuance of bonds in an amount not to exceed $247,500,000 (the "Double Barreled Bonds"), in one or more series, to finance improvements to the Airport System and/or refund bonds issued for such improvements. The Double Barreled Bonds, if issued, would be secured by both a pledge of the ad valorem taxes levied on all taxable property in the County and by a pledge of net revenues derived from the ownership and operation of the Airport System but with such net revenues being utilized to pay the Double Barreled Bonds only after payment of all Outstanding Bonds. Therefore the lien of Net Revenues securing any Double Barreled Bonds would be subordinate to the lien of all Outstanding Bonds under the Trust Agreement. The County and the Aviation Department anticipate that Double Barreled Bonds will be issued to fund the total cost of the MIA Mover program, including any cost increases approved by the Board.

AVIATION DEPARTMENT FINANCIAL INFORMATION

The financial exhibits in "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS" set forth the forecasted operating results of the Port Authorities Properties. The tables included in this section present a summary of the historical operating results of the Port Authority Properties for Fiscal Year 2003 through Fiscal Year 2008.

Historical Financial Results

The following table presents a summary of revenues and expenses from Port Authority Properties for the periods shown, and includes debt service coverage ratios for such periods. The method of presentation required under the Trust Agreement and presented in the following table is on a cash basis, which differs from the Aviation Department's financial statements, which are prepared on an accrual basis in accordance with generally accepted accounting principles. The numbers in the summary do not constitute part of the audited financial statements of the Aviation Department, although for the fiscal year ended September 30, 2004, such numbers were reviewed by the auditors. Attached as APPENDIX B are audited financial statements for the Aviation Department for the Fiscal Years ended September 30, 2007 and September 30, 2006 and unaudited financial statements for the Aviation Department for the Fiscal Year ended September 30, 2008. *See* "FINANCIAL STATEMENTS."

PORT AUTHORITY PROPERTIES
HISTORICAL OPERATING RESULTS
(in thousands)*
(UNAUDITED)
(Cash Basis)

	Fiscal Year Ended September 30[1]				
	2008	**2007**	**2006**	**2005**	**2004**
MIA Aviation Fees	$322,975	$300,738	$288,583	$270,607	$261,679
Commercial Operations:					
Management Agreements	$ 77,158	$ 78,885	$ 68,212	$ 68,649	$104,142
Concessions	99,335	91,629	77,505	77,283	73,470
Total Commercial Operations	$176,493	$170,514	$145,717	$145,932	$177,612
Rentals	$ 97,369	$ 93,118	$ 87,688	$ 85,998	$ 85,303
Other Revenues[2]	22,438	21,783	23,467	32,532	20,764
Sub-total Revenues	$619,275	$586,153	$545,455	$535,069	$545,358
General Aviation Airports	4,373	5,616	4,432	4,328	4,897
Gross Revenues	$623,648	$591,769	$549,887	$539,397	$550,255
Expenses:					
Current Expenses	$311,914	$285,244	$240,922	$269,819	$229,191
Current Expenses under Mgmt. Agmt.	31,557	29,654	27,894	27,778	55,243
Current Expenses under Oper. Agmt.	35,092	31,307	30,859	31,433	30,524
Total Current Expenses	$378,563	$346,205	$299,675	$329,030	$314,958
Net Revenues:	$245,085	$245,564	$250,212	$210,367	$235,297
Less: Reserve Maintenance Fund Deposit	23,000	17,000	7,500	15,000	24,500
Net Revenues After Deposits	$222,085	$228,564	$242,712	$195,367	$210,797
Total Debt Service	$229,984	$230,239	$220,578	$176,610	$160,471
Less: PFC Revenue (used for d/s)	(81,608)	(73,641)	(65,000)	(35,000)	(20,000)
Debt Service	$148,376	$156,598	$155,578	$141,610	$140,471
Debt Service Coverage[3][4]	1.50x	1.46x	1.56x	1.38x	1.50x

(1) While the numbers for Fiscal Year 2004 were reviewed by the auditors as described above, they do not constitute part of the audited financial statements of the Aviation Department for those Fiscal Years.

(2) In Fiscal Year 2004, this amount includes a $9.3 million non-recurrent FDOT grant for reimbursement of lost revenues related to the events of September 11, 2001.

(3) During each Fiscal Year, certain moneys from the previous Fiscal Year remaining in the Improvement Fund are deposited in the Revenue Fund. The amount of such deposit is included as Revenues and is required by the AUA to be taken into account in determining the amount of the landing fee rate required for the next succeeding Fiscal Year.

(4) Calculated in accordance with the Trust Agreement by dividing Net Revenues after deposits by the required Debt Service amount.

* Numbers may not total due to rounding.

N/A = not applicable

Source: Miami-Dade County Aviation Department.

Management's Discussion of Financial Information

For Fiscal Year 2008, the significant items affecting the financial results were :

- Aviation fees increased in Fiscal Year 2008 when compared to Fiscal Year 2007 by $22.2 million, representing a 7.4% annual growth rate. Although the Landing Fee rate charged to MIA air carriers in Fiscal Year 2008 decreased from $2.10 to $1.94, the landing fee rate decrease was offset by a $9 million increase in the Fiscal Year 2008 amount transferred from the Improvement Fund to the Revenue Fund.
- As part of its agreement to relinquish program management control over the North Terminal, American Airlines agreed to contribute $105 million over a ten-year period to pay claims and construction costs related to the NTD capital project. In accordance with this agreement, American Airlines made payments to the Aviation Department of $15 million in June 2005, $15 million in July 2006, $10 million in July 2007 and $10 million in July 2008.
- The Aviation Department's discretionary cash position increased as noted below primarily due to the significant increase in Net Revenues in Fiscal Year 2007, which accumulated in the Improvement Fund. As of September 30, 2008, September 30, 2007 and September 30, 2006, the Aviation Department's operating cash position was as follows:

	2008	2007	2006
Revenue Fund [1]	$66,740,051	$59,396,481	$59,023,818
Reserve Maintenance Fund	32,949,068	29,047,384	34,185,224
Improvement Fund [2]	137,233,412	125,594,816	130,728,819
Total	$236,922,531	$214,038,681	$223,937,861

(1) Includes the operating reserve requirement based on 13.5% of the Current Expense annual budget amount as required by the Trust Agreement. However, for Fiscal Year 2007, the amount includes $23 million earmarked for a transfer to the Revenue Fund on 09/28/2007 that was in fact recorded and applied for purposes of the Trust Agreement on 10/01/2007, which was the first day of Fiscal Year 2008.

(2) The Fiscal Year 2005 amount includes $42.9 million that was transferred to the Revenue Fund during Fiscal Year 2006 whereas the Fiscal Year 2006 amount includes $63.6 million that was transferred during Fiscal Year 2007. Approximately $64 million of the Fiscal Year 2007 balance is earmarked to be transferred to the Revenue Fund in Fiscal Year 2008. All of these transfers are required per the AUA.

In September 2008, the Board approved the Aviation Department's Fiscal Year 2009 budget. This budget reflects the Aviation Department's expectation of a 0.53% reduction in passengers or 16.6 million enplaned passengers; a decrease of 4.1% in landed weight; a $6.1 million or 0.91% decrease in Current Expenses due to the timing of closure of certain airport concessions, budget constraints placed on non-terminal building improvements, elimination of vacant positions and improved budget cost controls; use of $100.0 million in PFC revenues to pay debt service (compared to $81.6 million budgeted in Fiscal Year 2008); and a decrease from $23.0 million to $15.0 million in the annual deposit to the Reserve Maintenance Fund.

During Fiscal Year 2007, the Aviation Department, in conjunction with other County departments, implemented Enterprise Resource Planning ("ERP"), a new financial system. ERP is an integrated software platform that runs on a single database and enables the Aviation Department to replace its financial systems with a fully integrated suite of financial applications that will produce more timely and valuable financial data. In addition, ERP gives the Aviation Department more flexibility in producing financial reports and makes data more readily available through the internet to all authorized users. The total estimated budget for the project is approximately $12 million. Approximately $8 million of the costs were financed in Fiscal Year 2007 with a loan from the Sunshine State Financing Commission. The repayment of the Sunshine State loan is not secured by Revenues or any other revenues of the Aviation Department and is being made with monies deposited into the Improvement Fund. Two million dollars for ERP has been included in the Current Expense budget in Fiscal Year 2008.

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 costs 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 come due. The provisions of GASB 45 establish 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 paid medical and dental plans to active employees of the County. The County has approximately 27,000 active employees. The County also provides retirees the opportunity to participate in the group employee health plans. The County has approximately 1,300 pre-age 65 and approximately 1,400 post-age 65 retired employees participating in the plans. Employees who retire and begin receiving benefits under the Florida Retirement System and who were participants in the existing medical plan at the time of retirement are entitled to participate in the plan. Currently, retired employees pay 100% of the composite annual medical premium determined for the group consisting of active employees and pre-age 65 retirees. The County also provides paid health benefits to elected officials, employees who were offered an early retirement program, retirees who were injured in the line of duty and meet requirements defined in collective bargaining agreements, as well as a very small group of executive level employees.

[While the GASB 45 reporting requirements will not be effective until the County's Fiscal Year ending September 30, 2008, the County has received a preliminary estimate of (a) the accrued actuarial OPEB liability as of October 1, 2007 ($159 million) and (b) the annual OPEB expense for Fiscal Year 2008 ($16.3 million) (assuming a 25-year amortization schedule and equal annual payments). The accrued actuarial OPEB liability estimated for the 977 active employees of the Aviation Department is approximately $3.3 million. Currently, the County's policy is to fund the benefits on a pay-as-you-go basis and those estimates assume the County will continue that policy. However, if the County were to adopt a funding policy where amounts were contributed in excess of the "pay-as-you-go" costs, then (a) the estimated accrued actuarial OPEB liability could decrease to $114 million and (b) the Fiscal Year 2008 annual expense could decrease to $13.4 million (assuming a 25-year amortization schedule and equal annual payments).]

The above estimates depend on several variables (*e.g.*, funding levels, cost method, actuarial assumptions and amortization approach). Since the County is still finalizing those variables, the above estimates are likely to change.

Commercial Operations Revenues at the Airport

The Aviation Department received $176.5 million in commercial revenues in Fiscal Year 2008, as compared to 170.5 million in Fiscal Year 2007. The increase in revenues reported reflects an increase in revenues from concession agreements of $7.6 million. Moreover, the decrease in management agreements of $2.4 million was due to changes in accounting procedures that excluded tax collection as part of the cash collected.

Fiscal Year 2008 revenues in the major categories include $41.5 million in parking revenues and $25.7 million in rental car revenues. Retail concessions generated approximately $9.4 million in total sales under a management agreement. The Hotel and related Top-of-the-Port Restaurant generated $10.8 million in revenues in Fiscal Year 2008.

REPORT OF THE TRAFFIC ENGINEERS [UPDATES?]

The Report of the Traffic Engineers (the "Series 2009 Report") included in APPENDIX A to this Official Statement was prepared by Jacobs Consultancy, Inc. (the "Traffic Engineers") in connection with the issuance of the Series 2009 Bonds. The Series 2009 Report (Appendix A) should be read in its entirety for an understanding of the information and underlying assumptions. The Series 2009 Report includes an examination of the underlying economic base of the Air Trade Area, analyses of historical and projected air traffic activity at the Airport, a description of planned new facilities and various financial analyses, including a computation of debt service coverage ratios during the projection period (Fiscal Year 2009 through Fiscal Year 2019, inclusive). The Series 2009 Report concluded, based on various assumptions described in the Series 2009 Report, that the Aviation Department would generate Revenues sufficient to satisfy the requirements of the Rate Covenant under the Trust Agreement during the projection period.

Set forth below is a chart reflecting the projected debt service coverage for the Port Authority Properties.

Projected Debt Service Coverage
Port Authority Properties
Miami-Dade Aviation Department
(for the 12 months ending September 30; number in thousands)

	Net Revenues[1]	Debt Service	PFC Set-aside	PFC Other Deposits	Principal and Interest Requirements[1]	120% of Principal and Interest Requirements	Reserve Maintenance Fund[2]	Cannot be Less than Zero[3]	Debt Service Coverage
	(a)	(b)	(c)	(d)	(e) = (b)-(c)-(d)	(f) = 120% x (e)	(g)	(h) = (a)-(f)-(g)	(a-g)/(e)
2009	$	$	$	$	$	$	$	$	
2010									
2011									
2012									
2013									
2014									
2015									
2016									
2017									
2018									
2019									

Sources: Miami-Dade County Aviation Department; First Southwest Company; Jacobs Consultancy, Inc.

[1] As defined under the Trust Agreement.

[2] Projected deposits as required under Section 501 of the Trust Agreement.

[3] Calculated in accordance with Section 501 of the Trust Agreement.

Also presented below is a chart depicting the projected cost per enplanement for the Port Authority Properties during the forecast period.

Projected Cost per Enplanement
Port Authority Properties
Miami-Dade Aviation Department
(for the 12 months ending September 30; number in thousands)

	Airline Payments	Payments from Cargo Carriers	Passenger Airline Payments	Enplaned Passengers	Cost per Enplanement
	(a)	(b)	(c)=(a)-(b)	(d)	(c)/(d)
2009	$	$	$		
2010					
2011					
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					

Sources: Miami-Dade County Aviation Department; Jacobs Consultancy, Inc.

The Series 2009 Report was based on a number of assumptions and contains projections and statements relating to operating and financial results that may not be realized. The assumptions used reflect the best information available to the Aviation Department and reliance on the knowledge and experience of the Traffic Engineers. Investors should review carefully the assumptions in the Series 2009 Report, which includes assumptions made by the Financial Advisor about the principal amount of and interest rate on debt to be issued during the period of the forecast and on estimates of CIP costs and schedule provided by the Aviation Department. The Aviation Department's future operating performance, including enplaned passengers, and financial performance, however, may vary from the projections and such variances may be material. Among other things, the Series 2009 Report assumed the issuance of future debt by the Aviation Department at particular interest rates and the completion of certain planned construction at assumed costs. The Series 2009 Report also assumed only the cost of constructing the components of the CIP then planned by the Aviation Department and the issuance of the debt necessary to finance such projects. It assumes that no additional projects would be financed with bonds payable from Revenues of the Aviation Department during the period of the forecast.

Various factors may adversely affect the ability of the Aviation Department to achieve the projections in the Series 2009 Report, including, without limitation, the Aviation Department's ability to incur debt at assumed interest rates and unexpected construction delays or cost increases (which may reflect special costs of the Aviation Department's projects as well as general increase in construction costs). Such projections also may be affected by the factors affecting the Airport and the airline industry in general. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM" and "CERTAIN INVESTMENT CONSIDERATIONS."

The Series 2009 Report has been included herein in reliance upon the knowledge and experience of Jacobs Consultancy, Inc. as the Traffic Engineers. As noted in the Series 2009 Report, any forecast is subject to uncertainties. Therefore, there are likely to be differences between forecast and actual results,

and those differences may be material. See the information regarding forward looking statements on the disclaimer page at the beginning of this Official Statement.

TAX MATTERS

General

In the opinion of Greenberg Traurig, P.A. and Edwards & Associates, P.A., Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, (1) interest on the Series 2009 Bonds will be excludable from gross income for federal income tax purposes, except interest on a Series 2009A Bond for any period during which that Bond is held by a "substantial user" or a "related person" as those terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), (2) interest on the Series 2009A Bonds will be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (3) interest on the Series 2009B Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2009B Bonds will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations, and (4) the Series 2009 Bonds and the income thereon will not be subject to taxation under the laws of the State, except estate taxes under Chapter 198, Florida Statutes, as amended, and net income and franchise taxes under Chapter 220, Florida Statutes, as amended. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2009 Bonds.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications, and 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 2009 Bonds will be and will remain obligations, the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excludable from gross income for federal income purposes, some of which require future or continued compliance after issuance of the obligations in order for the interest to be and to continue to be so excludable from the date of issuance. Noncompliance with these requirements by the County may cause the interest on the Series 2009 Bonds to be included in gross income for federal income tax purposes and thus to be subject to federal income tax retroactively to the date of issuance of the Series 2009 Bonds. The County has covenanted to take the actions required of it for the interest on the Series 2009 Bonds to be and to remain excludable from gross income for federal income tax purposes, and not to take any actions that would adversely affect that excludability.

A portion of the interest on the Series 2009B Bonds earned by certain corporations may be subject to a federal corporate alternative minimum tax. In addition, interest on the Series 2009 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.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Series 2009 Bonds. Prospective purchasers of the Series 2009 Bonds should be aware that the ownership of Series 2009 Bonds may have certain collateral 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 or other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2009 Bonds. Prospective purchasers of the Series 2009 Bonds should consult their own tax advisors as to the impact of these other tax consequences. Bond Counsel will express no opinion regarding those consequences.

Purchasers of the Series 2009 Bonds at other than their original issuance at the respective prices indicated on the inside cover of this Official Statement should consult their own tax advisers regarding other tax considerations such as the consequences of market discount.

From time to time, there are legislative proposals pending in Congress that, if enacted into law, could alter or amend one or more of the federal tax matters described above including, without limitation, the excludability from gross income of interest on the Series 2009 Bonds, adversely affect the market price or marketability of the Series 2009 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would apply to the Series 2009 Bonds.

Original Issue Discount

Certain of the Series 2009 Bonds as indicated on the inside cover of this Official Statement ("Discount Bonds") 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 excludable 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 2009 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 price for that Discount Bond stated on the inside cover of this Official Statement who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Owners of Discount 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 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.

Original Issue Premium

Certain of the Series 2009 Bonds as indicated on the inside cover of this Official Statement ("Premium Bonds") 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 (or over a shorter permitted

compounding interval selected by the owner). 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 price for that Premium Bond stated on the inside cover 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 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 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.

CONTINUING DISCLOSURE

Disclosure Covenants

The County has covenanted in the Series 2009 Resolution, in accordance with the provisions of, and to the degree necessary to comply with the continuing disclosure requirements of Rule 15c2-12 (the "Rule") of the SEC, that certain continuing disclosure information will be provided or cause to be provided for the benefit of the beneficial owners of the Series 2009 Bonds (such covenants as described in paragraph (i) through (vii) below being referred to as the "Covenants") as follows:

(i) The County agrees to provide or cause to be provided for the benefit of the beneficial owners of the Series 2009 Bonds to each nationally recognized municipal securities information repository ("NRMSIR") and to the appropriate state information depository ("SID"), if any, designated by the State, the following annual financial information and operating data (the "Annual Information"), commencing with the Fiscal Year ending September 30, 2009:

(a) Revenues and Net Revenues of the Aviation Department and operating information for the prior Fiscal Year of the type and in a form which is generally consistent with the presentation of such information in this Official Statement for the Series 2009 Bonds, and such additional operating information as may be determined by the Aviation Department; and

(b) The audited general purpose financial statements of the Aviation Department utilizing generally accepted accounting principles applicable to local governments.

The information in paragraphs (a) and (b) above is expected to be available on or before June 1 of each year for the preceding Fiscal Year, commencing June 1, 2010, and will be made available, in addition to each NRMSIR and the SID, to the Trustee and to each beneficial owner of the Series 2009 Bonds who requests such information. The audited financial statements of the Aviation Department referred to in paragraph (b) above are expected to be available separately from the information in paragraph (a) above and will be provided by the County as soon as practical after acceptance of such statements from the auditors by the Aviation Department, if not available within eight months from the end of the Fiscal Year, unaudited information will be provided in accordance with the time frame set forth above and audited financial statements will be provided as soon after such time as they become available.

(ii) The County agrees to provide or cause to be provided, in a timely manner, to (a) each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB"), and (b) the SID, notice of occurrence of any of the following events with respect to the Series 2009 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 2009 Bonds; (7) modifications to rights of holders of the Series 2009 Bonds; (8) bond calls; (9) defeasance; (10) release, substitution or sale of any property securing repayment of the Series 2009 Bonds (which are solely secured by Net Revenues); and (11) rating changes.

(iii) The County agrees to provide or cause to be provided, in a timely manner, to (a) each NRMSIR or to the MSRB, and (b) 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.

(iv) The Covenants shall remain in effect only so long as the Series 2009 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 2009 Bonds within the meaning of the Rule.

(v) The Covenants are intended to be for the legal and beneficial owners of the Series 2009 Bonds and shall be enforceable by the Trustee on behalf of such legal and beneficial owners, in the manner provided in the Trust Agreement, if the County fails to cure a breach within a reasonable time after receipt of written notice from a legal or beneficial owner that a breach exists; provided that the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the County's obligations under the Series 2009 Resolution and any failure by the County to comply with the provisions of this undertaking shall not be a default with respect to the Series 2009 Bonds.

(vi) Notwithstanding the foregoing, each NRMSIR to which information shall be provided shall include each NRMSIR approved by the Securities and Exchange Commission prior to the issuance of the Series 2009 Bonds. In the event that the Securities and Exchange Commission approves any additional NRMSIRs after the date of issuance of the Series 2009 Bonds, the County shall, if the County is notified of such additional NRMSIRs, provide such information to the additional NRMSIRs. Failure to provide information to any new NRMSIR whose status as a NRMSIR is unknown to the County shall not constitute breach of the Covenants.

(vii) Additionally, the requirements of subsection (i) above do not necessitate the preparation of any separate annual report addressing only the Series 2009 Bonds. The requirements of subsection (i) may be met by the filing of a general annual information statement or audited general purpose financial statements of the Aviation Department 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 the SID or included in the final Official Statement of the County, provided such final Official Statement is filed with the MSRB.

(viii) 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.

The Covenants may only be amended if:

(i) 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 Aviation Department 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 2009 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 law and regulations; or

(ii) all or any part of the Rule, as interpreted by the staff of the Securities and Exchange Commission at the date of the adoption of this Series 2009 Resolution, ceases to be in effect for any reason, and the County elects that the Covenants shall be deemed amended accordingly.

The County will be in compliance with the filing requirements of its continuing disclosure undertakings with respect to the Series 2009 Bonds if the required disclosure information is provided to the "Central Post Office" or any other entity serving a similar purpose that complies with the requirements of the Rule or that 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 that has been approved by the SEC shall not have to also be filed with any NRMSIR or SID.

Obligated Persons

The County has determined that as of the issuance of the Series 2009 Bonds, the County will be the sole Obligated Person (as defined below) with respect to the Series 2009 Bonds. Any change in Obligated Persons shall be reported by the County in connection with its Annual Information. If any person other than the County becomes an Obligated Person relating to the Series 2009 Bonds, the County shall use its reasonable best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person; provided, however, that the County takes, and shall take, no responsibility for the accuracy or completeness of any financial information or operating data or other materials submitted by any additional Obligated Person, other than the County.

For purposes of the Covenants, "Obligated Person" means, with respect to the Series 2009 Bonds, the County and any airline or other entity that (1) would constitute an "obligated person" under the Rule with respect to the Series 2009 Bonds and (2) is an "obligated person" (a) with respect to which financing information was included in this Official Statement or (b) otherwise reasonably determined by the County to be an "Obligated Person" with respect to the Series 2009 Bonds.

Because the County will be the sole Obligated Person with respect to the Series 2009 Bonds at the time of their issuance, the Covenants do not provide for, and no undertaking is being made by the County or the Aviation Department to update, any information contained in this Official Statement with

respect to any individual airline. Under the AUA, each signatory airline is contractually obligated to make payments only to the extent of its use of the Airport during any Fiscal Year.

Airline Disclosure

Copies of the SEC filings (including (i) an Annual Report on Form 10-K, and (ii) a Quarterly Report on Form 10-Q, annual, quarterly and special reports, information statements and other information) for any individual airline which is required to file such reports pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act of 1934, as amended, are available over the Internet at the web site of the Securities and Exchange Commission at http://www.sec.gov; or at the SEC's public reference room in Washington, D.C. See also "CERTAIN INVESTMENT CONSIDERATIONS – Additional Information on Airlines" for the location of other financial and operating data which may be available as to individual airlines operating at the Airport.

Continuing Disclosure Compliance; Limited Information

The County has complied in all material respects with all continuing disclosure commitments previously made by the County with respect to issued obligations. The County's obligation under the Covenants is to supply limited information at specified times and may not provide all information necessary to determine the value of the Series 2009 Bonds.

RATINGS

Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P"), Moody's Investors Service, Inc. ("Moody's") and Fitch Ratings ("Fitch," together with S&P and Moody's, the "Rating Agencies") [have assigned the rating of "___," "___" and "___," respectively, to the Series 2009 Bonds, with the understanding that upon delivery of the Series 2009 Bonds, the Municipal Bond Insurance Policies insuring the payment when due of the principal of and interest on the related Series 2009 Bonds will be issued by the Bond Insurers].

With respect to [underlying] ratings for the Series 2009 Bonds, S&P has assigned a rating of "A-," Moody's has assigned a rating of "A2" and Fitch has assigned a rating of "A," with each Rating Agency assigning a "stable outlook."

The ratings reflect only the view of the Rating Agencies. Any desired explanation of the significance of such ratings should be obtained from the Rating Agency furnishing the same. Generally, the Rating Agencies base their ratings on the information and materials furnished to them and on investigations, studies and assumptions by them. There is no assurance that the ratings will continue for any given period of time or that the same will not be revised downward or withdrawn entirely by the Rating Agency furnishing the same if, in its judgment circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2009 Bonds. **The County has not undertaken any responsibility either to bring to the attention of the owners of the Series 2009 Bonds any proposed revisions, suspension or withdrawal of any such rating or to oppose any such revision, suspension or withdrawal.**

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2009 Bonds upon an event of default under the Trust Agreement are in many respects dependent upon regulatory and judicial actions, which are often subject to discretion and delay. Under existing laws and judicial decisions, the remedies provided for under the Trust Agreement may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2009 Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2009 Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the enforcement of creditors' rights generally and by equitable remedies and proceedings generally.

UNDERWRITING

The Series 2009 Bonds are being purchased by the Underwriters listed on the cover page hereof, for whom _____ is acting as representative. Subject to certain conditions, the Underwriters have agreed to purchase all of the Series 2009 Bonds at a purchase price of $_____ (representing the principal amount of $_____ less underwriters' discount of $_____, plus original issue premium of $_____, and less original issue discount of $_____). The purchase contract between the Underwriters and the County provides that the Underwriters will purchase all of the Series 2009 Bonds, if any are purchased. The yields for the Series 2009 Bonds set forth on the inside cover page may be changed after the initial offering by the Underwriters.

FINANCIAL ADVISOR

First Southwest Company, Aventura, Florida and Frasca & Associates, L.L.C., New York, New York, served as financial advisors (collectively, the "Financial Advisor") to the Aviation Department with respect to the offering of the Series 2009 Bonds. The Financial Advisor has assisted in the preparation of this Official Statement and in other matters relating to the planning of the offering of the Series 2009 Bonds. The fee payable to the Financial Advisor is contingent upon the issuance and delivery of the Series 2009 Bonds.

RELATIONSHIP OF PARTIES

Greenberg Traurig, P.A. and Edwards & Associates, P.A., Bond Counsel for the Series 2009 Bonds, and Edwards Angell Palmer & Dodge LLP and Rasco, Reininger, Perez, Esquenazi & Vigil, P.L., Disclosure Counsel for the Series 2009 Bonds, have represented and may continue to represent certain of the Underwriters in connection with other transactions in jurisdictions other than the County. The Underwriters are represented by their counsel, GrayRobinson, P.A.. Greenberg Traurig, P.A. also represents the Airport on certain other matters.

FINANCIAL STATEMENTS

The financial statements of the Aviation Department as of and for the Fiscal Years ended September 30, 2007 and September 30, 2006 included in Appendix B have been audited by KPMG LLP, independent auditors, as stated in their report appearing in Appendix B. Such financial statements speak only as of September 30, 2007 and September 30, 2006, respectively, and have been included as a matter of public record. KPMG LLP (1) has not been engaged to perform and has not performed since the date of its report on such financial statements any procedures with respect to such financial statements and (2) has not performed any procedures relating to this Official Statement. Additionally, the unaudited financial statements of the Aviation Department as of and for the Fiscal Year ended September 30, 2008 are also included in Appendix B. The consent of KPMG LLP for the use of the financial statements

herein has not been sought. *See* "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2007 AND SEPTEMBER 30, 2006 AND UNAUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008."

EXPERTS

The report of the Traffic Engineers to the Aviation Department included in APPENDIX A to this Official Statement was prepared by Jacobs Consultancy, Inc., Burlingame, California in connection with the Series 2009 Bonds.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2009 Bonds, including their legality and enforceability and the exclusion of interest on the Series 2009 Bonds from gross income for federal income tax purposes, are subject to the approval of Greenberg Traurig, P.A., Miami, Florida and Edwards & Associates, P.A., Miami, Florida, Bond Counsel, whose opinions will be delivered with the Series 2009 Bonds. Certain legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain other legal matters relating to disclosure will be passed upon for the County by Edwards Angell Palmer & Dodge LLP, West Palm Beach, Florida and Rasco, Reininger, Perez, Esquenazi & Vigil, P.L., Coral Gables, Florida, Disclosure Counsel, whose opinions will be delivered with the Series 2009 Bonds. GrayRobinson, P.A., Miami, Florida, are acting as counsel to the Underwriters. The fees payable to Bond Counsel, Disclosure Counsel and Underwriters' counsel are contingent upon the issuance and delivery of the Series 2009 Bonds.

The proposed text of the separate legal opinions of Bond Counsel and Disclosure Counsel are set forth as "APPENDIX E – PROPOSED FORM OF BOND COUNSEL OPINION" and "APPENDIX F – PROPOSED FORM OF DISCLOSURE COUNSEL OPINION," respectively. The actual legal opinions to be delivered may vary from the text of APPENDIX E and F, if necessary, to reflect facts and law on the date of delivery of the Series 2009 Bonds. The opinions will speak only as of their date and subsequent distribution of it by recirculation of this Official Statement or otherwise shall not create any implication that subsequent to the date of the opinions Bond Counsel has affirmed its opinion or that Disclosure Counsel has reviewed or expressed any opinion concerning any of the matters referenced in this Official Statement.

The opinion of Bond Counsel will be limited to matters relating to the authorization and validity of the Series 2009 Bonds and the tax-exempt status of interest thereon, as described under "TAX MATTERS," and will make no statement regarding the accuracy and completeness of this Official Statement.

The legal opinion 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 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 its 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 2009 Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the attorneys providing such opinion do not become insurers or guarantors 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.

LITIGATION

General

The County is a party, from time to time, to various lawsuits relating to the Airport and the Aviation Department, all of which the County has, and will continue to, vigorously defend and/or prosecute. There is not now pending any litigation restraining or enjoining the issuance or delivery of the Series 2009 Bonds or questioning or affecting the validity of the Series 2009 Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization or existence, nor the title of the present members of the Board or other officers of the County to their respective offices, is being contested. Except as noted below, there is no litigation pending, or to the knowledge of County officials threatened, which, if it were decided against the County or the Aviation Department, would have a material adverse effect upon the financial affairs of the County or the Aviation Department, with regard to Port Authority Properties. There is not now pending, or to the knowledge of County officials threatened, any claim that the Landing Fees or any other rates and charges at the Airport are not in accordance with federal, state or local law.

Aviation Environmental Matters [UPDATES?]

In August 1993, the Aviation Department and the County's Department of Environmental Resources Management ("DERM") entered into a Consent Agreement (the "DERM Consent Agreement"). Under the DERM Consent Agreement, the Aviation Department became liable to address and correct subsurface contamination resulting from various Airport tenants' operations and failure to comply with their legal obligations at the Airport, including facilities previously occupied by Eastern Airlines and Pan Am Airlines. In addition, the Aviation Department had a preliminary study performed by an independent engineering firm to estimate the Aviation Department's damages imposed by the DERM Consent Agreement. This study, known as the "Opinion of Cost," was used as a basis to record the cost of environmental remediation at the Airport as of September 30, 1993.

In each subsequent year, the Aviation Department received an updated study performed by MACTEC Engineering and Consulting, Inc. formerly known as LAW Engineering and Environmental Services, Inc. ("MACTEC"), an independent engineering firm, to further update the estimated costs to correct the environmental violations noted in the Consent Order based on additional information and further refinement of estimated costs to be incurred.

During Fiscal Year 1998, the Florida Department of Environmental Protection (the "FDEP") required the Aviation Department to enter into a Consent Order ("FDEP Consent Order"). The FDEP Consent Order, which encompasses and replaces the DERM Consent Agreement, requires the Aviation Department to address and correct subsurface contamination at all locations at the Airport that are contaminated as well as additional sites where contamination is suspected. Under these and other consent orders/agreements, environmental regulatory agencies are entitled to penalties for violations of these consent orders/agreements by the Aviation Department.

In 1999, the Board of County Commissioners authorized the Aviation Department's Environmental Cost Recovery Program to recover the costs of remediation of environmental contamination at MIA from responsible parties, insurers, and regulatory programs. As part of that program, the County proceeded with demand for payment and litigation against current and former users

of the airport, including the U.S. government. It also pursued payments from FDEP under its Inland Protection Trust Fund which allows for the reimbursement or pre-approval for payment of certain qualified petroleum cleanups. A more detailed discussion of some of those efforts follows.

The Aviation Department also applied for $40 million of reimbursable costs from the Inland Protection Trust Fund for eligible petroleum cleanup costs. Initially, $25 million was approved. The Aviation Department appealed approximately $10.1 million in denied supplemental payment requests for reimbursement and audited amounts, which was settled for an additional $3.5 million that brought the total reimbursed to $28.5 million. In addition, certain Airport sites where contamination is suspected are recorded in the FDEP Consent Order under a "Protective Filing." If contamination were documented at these sites, the State would be required to incur the costs of remediation after the first $200,000 of costs incurred by the Aviation Department. Because the State will be required to pay for remediation of sites filed in the Protective Filing and because the contamination at these sites is unknown at this time, these sites appear in the Opinion of Cost report with no dollar amounts. To date, the airlines and the other tenants have complied with all actions requested of them by the Aviation Department in order to comply with the FDEP Consent Order.

As noted above, in addition to the state regulatory administrative challenges, the Aviation Department has commenced various lawsuits against responsible parties and insurers to recover damages arising out of the costs associated with environmental contamination addressed by the DERM Consent Agreement and FDEP Consent Order. The County has settled claims against numerous responsible parties and insurers and litigation remains pending or will be brought against others. The County has recovered approximately $21 million as a result of these settlements, which, along with the IPTF recoveries, brings the total recovered under the Cost Recovery Program to approximately $50 million.

In 2007, the Opinion of Cost report was further updated to reflect changes having occurred during the past year. As a result of the updated study and damages incurred in Fiscal Year 2007, the estimated cost to the Aviation Department to address the contamination as of September 30, 2007 is in a range from $66 million to $154 million, about two-thirds of which is capital and one-third of which is operating. The estimated range is due largely to uncertainties at this time as to the nature and extent of groundwater contamination beneath the Airport and the methods, which must be employed, for the remediation. Such amounts are scheduled by MACTEC to be incurred by the County over 8 years, but based on recent historical spending levels, it will take longer to accomplish the work. Management believes that no specific amount in the range represents a better estimate of the ultimate liability. As a result, the Aviation Department has recorded a liability of $105,401,206 in the Port Authority Properties at September 30, 2007. Management has allocated a portion of bond proceeds to fund this obligation and believes that the remaining amount can be funded from the operations of the Aviation Department, which would include any amounts received as a result of environmental cost recovery efforts, including lawsuits that the County has commenced against responsible parties, especially taking into account recent historical spending levels.

In addition to the studies conducted to determine the environmental damage to the sites occupied by Eastern Air Lines and Pan American World Airways, the Aviation Department caused studies to be performed to determine the amount required to remove or otherwise contain the asbestos in certain buildings occupied by the airlines. The Aviation Department has also estimated the amount required to remove or otherwise encapsulate the asbestos in buildings other than those formerly occupied by Eastern Airlines and Pan American Airlines. The studies estimate the cost to correct such damage related to all buildings to be approximately $4.5 million. Such amounts do not represent a liability of the Aviation Department until such time as a decision is made by the Aviation Department's management to make certain modifications to the buildings, which would require the Aviation Department to correct such matters.

North Terminal Claims

Effective July 1, 2005, the County assumed responsibility to complete the construction of the NTD project which was previously managed by American Airlines. Significant claims for additional compensation due to changed work and delays have been asserted against the construction manager, TAAT, American Airlines and the County; in the aggregate, these claims exceed $100 million, including several lawsuits. As a result of the Fourth Amendment to the Lease, Construction and Financing Agreement and the Claims Administration Agreement with American Airlines, the County is responsible for defending American Airlines and to pay up to an aggregate amount of $205 million (American Airlines is contributing $105 million) to resolve claims. It is anticipated that ultimate resolution will not exceed the $205 million.

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). The County is not and has not been in default as to principal and interest on bonds or other debt obligations that it has issued as the principal obligor.

There are several special purpose governmental authorities that serve as conduit issuers of private activity bonds for purposes such as housing, industrial development, education and health care. Defaults have occurred in connection with some of those private activity bonds; however, such defaults affect only the defaulted issues and will have no effect on the payment of the Series 2009 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. Defaults relating to conduit issuers are not material with regard to the Series 2009 Bonds.

CERTIFICATE OF FINANCE DIRECTOR AND AVIATION DIRECTOR CONCERNING THIS OFFICIAL STATEMENT

Concurrently with the delivery of the Series 2009 Bonds, the Finance Director and the Aviation Director will furnish a certificate 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 2009 Bonds, does not contain an untrue statement of a material fact and does not omit to state a material fact which should be included in this Official Statement for the purpose for which this Official Statement is to be used, or which is necessary to make the statements contained in this Official Statement, in light of the circumstances in which they were made, not misleading.

MISCELLANEOUS

This Official Statement is not to be construed as a contract with the purchasers of the Series 2009 Bonds. 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 potential investors should refer to all such documents for full and complete statements of all matters relating to the Series 2009 Bonds, the security for the payment of the Series 2009 Bonds and the rights and obligations of the owners of the Series 2009 Bonds. The information set forth in this Official Statement has been obtained from the County and other sources that are believed to be reliable. The information and expressions of opinion in this Official Statement are not 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.

The delivery of this Official Statement by the County has been duly authorized by the Board.

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APPENDIX A

REPORT OF THE TRAFFIC ENGINEERS

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2007 AND SEPTEMBER 30, 2006

KPMG LLP (1) has not been engaged to perform and has not performed since the date of its report on the financial statements set forth below any procedures with respect to such financial statements, and (2) has not performed any procedures relating to this Official Statement. The attached financial statements have been included as a matter of public record. These financial statements speak only as of September 30, 2007 and September 30, 2006, respectively. The consent of KPMG LLP for the use of the financial statements herein has not been sought.

UNAUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT

The following summaries and statements are brief outlines of certain provisions of the Amended and Restated Trust Agreement dated as of December 15, 2002, by and among the County and The Bank of New York Mellon, as successor in interest to JPMorgan Chase Bank, N.A., as Trustee, and U.S. Bank National Association (successor in interest to Wachovia Bank, National Association), as Co-Trustee (the "Trust Agreement"). Such outlines do not purport to be complete, and reference is made to the Trust Agreement, copies of which are on file and available for examination at the offices of the Aviation Department, the Trustee and the Co-Trustee, for the complete terms thereof. Terms not defined below or in the Official Statement shall have the meanings set forth in the Trust Agreement.

The Trust Agreement authorizes the issuance, from time to time, in one or more Series, of revenue bonds of the County subject to the conditions set forth in the Trust Agreement. The provisions and covenants of the Trust Agreement are for the equal and proportionate benefit and security of the holders of all of the revenue bonds issued thereunder, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction as to lien or otherwise of any of the revenue bonds over any other thereof, except as otherwise expressly provided in the Trust Agreement.

Defined Terms

The following are certain defined words and terms used by the Trust Agreement:

"Accreted Value" means, as of any date of computation with respect to any capital appreciation bond, an amount equal to the principal amount of such capital appreciation bond at its initial offering plus the interest accrued on such capital appreciation bond from the date of delivery to the original purchasers thereof to the Compounding Date next preceding the date of computation or the date of computation if a Compounding Date plus, with respect to matters related to the payment upon redemption or acceleration of the capital appreciation bond, if such date of computation shall not be a Compounding Date, a portion of the difference between the Accreted Value as of the immediately preceding Compounding Date (or the date of original issuance if the date of computation is prior to the first Compounding Date succeeding the date of original issuance) and the Accreted Value as of the immediately succeeding Compounding Date, calculated based on the assumption that Accreted Value accrues during any period in equal daily amounts on the basis of a year of 360 days consisting of twelve months of thirty days each. Interest shall accrue on any capital appreciation bond and be compounded periodically at such rate and at such times as provided in, or pursuant to, the resolution authorizing the issuance of said capital appreciation bond.

"Amortization Requirement" means for any fiscal year, as applied to the term bonds of any Series, the principal amount fixed for such fiscal year by resolution of the Board prior to the delivery of such bonds for the retirement of such term bonds by purchase or redemption.

"Annual Budget" means the budget adopted or in effect for each fiscal year.

"Appreciated Value" means, with respect to any capital appreciation and income bond: (a) as of any date of computation prior to the Interest Commencement Date, an amount equal to the principal amount thereof on the date of original issuance plus the interest accrued on such capital appreciation and income bond from the date of original issuance of such capital appreciation and income bond to the Compounding Date next preceding the date of computation or the date of computation if a Compounding Date, such interest to compound periodically at the times and at the rate provided in, or pursuant to, the resolution authorizing the issuance of said capital appreciation and income bond, plus, if such date of computation shall not be a Compounding Date, a portion of the difference between the Appreciated Value

as of the immediately preceding Compounding Date (or the date of original issuance if the date of computation is prior to the first Compounding Date succeeding the date of original issuance) and the Appreciated Value as of the immediately succeeding Compounding Date, calculated based upon an assumption that Appreciated Value accrues during any period in equal daily amounts on the basis of a year of 360 days consisting of twelve months of thirty days each; and (b) as of any date of computation on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date.

"Authorized Investments" include: (i) direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations"), (ii) bonds, debentures or notes issued by any of the following Federal agencies: Banks for Cooperatives, Federal Intermediate Credit Banks, Federal Home Loan Banks, Export-Import Bank of the United States, Government National Mortgage Association, Federal Land Banks or the Federal National Mortgage Association (including participation certificates issued by such Association), (iii) all other obligations issued or unconditionally guaranteed as to principal and interest by an agency or persons controlled or supervised by and acting as an instrumentality of the United States Government pursuant to authority granted by the Congress, (iv) repurchase agreements with financial institutions fully secured by Government Obligations, (v) all other obligations which are permitted investments of public funds under Florida law, (vi) time deposits, certificates of deposits or similar arrangements with any bank or trust company which is a member of the Federal Deposit Insurance Corporation and any Federal or State of Florida savings and loan association which is a member of the Savings Association Insurance Fund and which are secured in the manner provided in the Trust Agreement, and (vii) any obligations as directed by Section 218.415, Florida Statutes, unless otherwise authorized by state law or by county ordinance, in which event or events any obligations so authorized by such law or ordinance.

"bond," "bonds," "revenue bond" or "revenue bonds" means any bond or bonds or all of the bonds, as the case may be, issued under the provisions of the Trust Agreement. For purposes of the Trust Agreement, bonds issued under the provisions of the Trust Agreement include bonds issued under the provisions of the Prior Agreement.

"capital appreciation bonds" means any bonds as to which interest is compounded periodically on each Compounding Date and which are payable in an amount equal to the then current Accreted Value only at maturity, earlier redemption or other payment date therefor, all as designated by, or pursuant to, the resolution authorizing the issuance of such bonds, and which may be either serial bonds or term bonds.

"capital appreciation and income bonds" means any bonds as to which accruing interest is not paid prior to the Interest Commencement Date specified in, or pursuant to, the resolution authorizing the issuance of such bonds and with respect to which, until such Interest Commencement Date, the Appreciated Value is compounded periodically on each Compounding Date, and which may be either serial bonds or term bonds.

"Compounding Date" means, with respect to any capital appreciation bond or capital appreciation and income bond, the dates on which interest shall compound, as specified in the resolutions authorizing the issuance of such bond.

"convertible bonds" means bonds which are convertible, at the option of the County, into a type of bonds permitted by the Trust Agreement other than the type of such bonds at the time they were issued.

"Counterparty" means a financial institution who enters into a Hedge Agreement with the County in connection with any bonds issued under the Trust Agreement and whose senior long-term debt obligations, or whose payment obligations under such Hedge Agreement are guaranteed by an entity

whose senior long-term debt obligations, are rated on the date the Hedge Agreement is entered into in one of the three highest rating categories (without regard to any gradations within such categories) of a nationally recognized rating agency.

"Credit Facility" means each and every irrevocable letter of credit, policy of municipal bond insurance, surety bond, guaranty, purchase agreement, credit agreement or similar facility in which the entity providing such facility irrevocably agrees to provide funds to make payment of the principal of and interest on bonds when due.

"Current Expenses" means the County's reasonable and necessary current expenses of maintenance, repair and operation of the Port Authority Properties and shall include, without limiting the generality of the foregoing, all ordinary and usual expenses of maintenance, repair and operation, which may include expenses not annually recurring, all administrative expenses and any reasonable payments to pension or retirement funds properly chargeable to the Port Authority Properties, insurance premiums, engineering expenses relating to maintenance, repair and operation, fees and expenses of the Trustee, the Co-Trustee and the Paying Agents, legal expenses, fees of consultants, fees, expenses and other amounts payable to any bank or other financial institution for the issuance of a Credit Facility, Liquidity Facility or Reserve Facility, and to any indexing agent, depository, remarketing agent, tender agent or any other person or institution whose services are required with respect to the issuance of bonds of any Series, any taxes which may be lawfully imposed on the Port Authority Properties or the income therefrom and reserves for such taxes, and any other expenses required to be paid by the County under the provisions of the Trust Agreement or by law, but shall not include any reserves for extraordinary maintenance or repair, or any allowance for depreciation, or any Hedge Obligations or Hedge Charges, or any deposits to the credit of the Sinking Fund, the Reserve Maintenance Fund and the Improvement Fund.

"Director" means the person employed by the County to supervise the operation of the Port Authority Properties and to perform the duties imposed on the Director by the Trust Agreement.

"Effective Date" means December 15, 2002.

"fiscal year" means the period commencing on the first day of October and ending on the last day of September of the following year.

"Hedge Agreement" means an interest rate exchange agreement, an interest rate swap agreement, a forward purchase contract, a put option contract, a call option contract or any other financial product which is used by the County as a hedging device with respect to its obligation to pay debt service on any of the bonds, entered into between the County and a Counterparty; provided that such arrangement shall be specifically designated in a certificate of the Director and the County's Finance Director as a "Hedge Agreement" for purposes of the Trust Agreement.

"Hedge Charges" means charges payable by the County to a Counterparty upon the execution, renewal or termination of any Hedge Agreement, any periodic fee payable by the County to keep such Hedge Agreement in effect and all other payments required under such Hedge Agreement, including, to the extent permitted by law, indemnification payments, tax-gross up payments and default related payments, but excluding Hedge Obligations.

"Hedge Obligations" means 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 fluctuation in the value of any index of payment, but not including Hedge Charges.

"Hedge Receipts" means net payments received by the County from a Counterparty under a Hedge Agreement.

"Improvements" means such buildings, structures and equipment and such renewals, replacements, additions, extensions and betterments, other than ordinary maintenance and repairs, as may be deemed necessary by the County to place or to maintain any Project in proper condition for its safe, efficient and economic operation, or to preserve, extend, increase or improve the service rendered by it, including any property acquired therefor.

"Interest Commencement Date" means, with respect to any particular capital appreciation and income bonds, the date specified in, or pursuant to, the resolution authorizing the issuance of such bonds (which date must be prior to the maturity date for such bonds) after which interest accruing on such bonds shall be payable on a periodic basis, with the first such payment date being the applicable interest payment date immediately succeeding such Interest Commencement Date.

"Liquidity Facility" means a letter of credit, policy of insurance, surety bond, guaranty, purchase agreement, credit agreement or similar facility in which the entity providing such facility agrees to provide funds to pay the purchase price of, or agrees to purchase, put bonds upon their tender by the holders thereof, and which facility is acceptable to the provider of any Credit Facility issued in connection with such put bonds.

"Net Revenues" for any particular period means the amount of the excess of the Revenues of the Port Authority Properties over the total of the Current Expenses.

"Outstanding" when used with reference to bonds means, as of a particular date and unless otherwise provided in, or pursuant to, a resolution authorizing a particular Series of bonds, all bonds theretofore issued under the Trust Agreement, except:

(1) bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) bonds for the payment of which money, Government Obligations, or a combination of money and Government Obligations, in an amount sufficient to pay on the date when such bonds are to be paid or redeemed the principal or redemption price of, and the interest accruing to such date on, the bonds to be paid or redeemed, have been deposited with the Trustee in trust for the holders of such bonds; Government Obligations, shall be deemed to be sufficient to pay or redeem bonds on a specified date if the principal of and interest on such Government 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;

(3) bonds to be redeemed and deemed to be not Outstanding in accordance with the Trust Agreement; and

(4) bonds in exchange for or in lieu of which other bonds have been issued; provided, that in determining whether the holders of the requisite Outstanding bonds have given any request, demand, authorization, direction, notice, consent or waiver under the Trust Agreement bonds owned by the County or any affiliate of the County shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only bonds that an authorized officer of the Trustee either actually knows to be so owned or has received written notice thereof shall be so disregarded. Bonds so owned that have been pledged

in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such bonds and that the pledgee is not the County or any affiliate of the County.

In determining whether bonds are not "Outstanding" under clauses (2) and (3) above:

(a) in the case of variable rate bonds, the amount required for the interest thereon shall be calculated at the maximum rate permitted by the terms of the provisions which authorized the issuance of such variable rate bonds; provided, however, that if on any date, as a result of such variable rate bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and/or Government Obligations on deposit for the payment of interest on such variable rate bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such variable rate bonds in order to fully pay the principal or redemption price of, and the interest accruing on, such bonds, and so long as no event of default or other event, which with the passage of time or the giving of notice, or both, would become an event of default with respect to such variable rate bonds has occurred and is continuing, the County may use the amount of such excess, free and clear of any trust, lien, security interest, pledge or assignment securing said variable rate bonds or otherwise existing under the Trust Agreement; and

(b) in the case of put bonds, either the principal or redemption price of, and the interest accruing on, said bonds shall have been paid as they became due and payable or there shall have been deposited moneys and/or Government Obligations which shall be sufficient at the time of such deposit to pay when due the maximum amount of principal or redemption price of, and interest accruing on, such put bonds which could become payable to the holders of such bonds, including upon the exercise of any tender options provided to the holders of such bonds; provided, however, that if, at the time a deposit is made, the tender options originally exercisable on the put bonds are no longer exercisable, such bonds shall not be considered put bonds for these purposes.

"Passenger Facilities Charges" means any fees which the United States Secretary of Transportation may grant the County authority to impose upon passengers of air carriers enplaned at airports controlled by the County in order to finance eligible airport-related projects pursuant to 49 U.S.C. § 40117, as amended, including investment earnings thereon, or any similar fee or charge authorized by any amendment thereto or by any successor federal law.

"Port Authority Properties" means Miami International Airport, the airports owned and/or operated by the County known as Homestead General Aviation Airport, Kendall-Tamiami Executive Airport, Opa-Locka Airport, Opa-Locka West Airport and the Training and Transition Airport, and such other Projects as shall be financed or refinanced under the provisions of the Trust Agreement together with all improvements thereof (excluding any buildings, structures or other facilities constructed at Miami International Airport or other airports of the County and financed by obligations not issued under the provisions of the Trust Agreement) and any other airport or airport related properties or facilities (including any facilities financed by obligations not issued under the provisions of the Trust Agreement) that may be added to the Port Authority Properties under the provisions of the Trust Agreement.

"Principal and Interest Requirements" for any fiscal year, as applied to the bonds of any Series, means the sum of:

(a) the amount required to pay the interest on all bonds of such Series, both serial and term, then Outstanding which is payable from October 2 in such fiscal year through October 1 in the next succeeding fiscal year,

(b) the amount required to pay the principal of all serial bonds of such Series then Outstanding which is payable from October 2 in such fiscal year through October 1 in the next succeeding fiscal year, and

(c) the Amortization Requirement for the term bonds of such Series for such fiscal year.

In computing "Principal and Interest Requirements," for any fiscal year, the following rules shall apply:

(i) in the case of variable rate bonds, interest shall be computed at the average rate of interest which was payable on such bonds in the last 12 months during which such bonds were Outstanding or the actual number of months that such bonds were Outstanding if less than 12, except that (i) with respect to any variable rate bonds which are being issued on the date of computation, interest shall be computed at the estimated initial rate of interest of such bonds upon issuance thereof, as set forth in a certificate of the principal underwriters with respect to such bonds delivered to the Trustee and the Co-Trustee, and (ii) with respect to deposits to the Reserve Account, interest on any Outstanding variable rate bonds shall be computed (A) with respect to such bonds which were Outstanding in the preceding fiscal year or portion thereof, at the average rate of interest which was payable on such bonds in the preceding fiscal year or portion thereof and (B) with respect to such bonds which were not Outstanding in the preceding fiscal year or portion thereof, at the initial rate of interest on such bonds upon issuance thereof;

(ii) in the case of put bonds, the date or dates on which the holders of such put bonds may elect or be required to tender such bonds for payment or purchase shall be ignored and the stated dates for Amortization Requirements and principal payments thereof shall be used for purposes of this calculation so long as the source for said payment or purchase is a Liquidity Facility and the provider of such facility maintains a rating in one of the three highest short-term rating categories (without regard to any gradations within such categories) of a nationally recognized rating agency; provided, however, that notwithstanding the foregoing or the provisions of clause (i) above, during any period of time after the provider of a Liquidity Facility has advanced funds under a Liquidity Facility and before such amount is repaid, Principal and Interest Requirements shall include the principal amount so advanced and interest thereon, in accordance with the principal repayment schedule and interest rate or rates specified in the reimbursement or other similar agreement relating to such Liquidity Facility;

(iii) in the case of capital appreciation bonds, the principal and interest portions of the Accreted Value becoming due at maturity or by virtue of an Amortization Requirement shall be included when due and payable;

(iv) in the case of capital appreciation and income bonds, the principal and interest portions of the Appreciated Value becoming due at maturity or by virtue of an Amortization Requirement shall be included when due and payable;

(v) in the case of convertible bonds, the calculations shall be based on the type of the bonds as of the time of the calculation without regard to any unexercised conversion feature;

(vi) if all or a portion of the principal or Amortization Requirement of or interest on bonds is payable from funds set aside or deposited for such purpose (other than funds on deposit in the Reserve Account), including funds deposited to the credit of the Construction Fund as provided in the Trust Agreement, together with projected earnings thereon, such principal, Amortization Requirement or interest shall not be included in computing Principal and Interest Requirements if such funds, together with the investment earnings thereon, will provide sufficient moneys to pay when due such principal, Amortization Requirement or interest, as applicable; and

(vii) to the extent that the County has entered into a Hedge Agreement with respect to any bonds and notwithstanding the provisions of clauses (i) through (vi) above, while the Hedge Agreement is in effect and so long as the Counterparty has not defaulted thereunder and so long as the senior-long term debt obligations of the Counterparty or of any entity guaranteeing the payment obligations of the Counterparty under the Hedge Agreement are rated in one of the three highest rating categories (without regard to any gradations within such categories) of three nationally recognized rating agencies (or such lesser number of nationally recognized rating agencies as are then in existence), for the purpose of determining the Principal and Interest Requirements the interest rate with respect to the principal amount of such bonds equal to the "notional" amount specified in the Hedge Agreement shall be assumed to be (A) if the County's Hedge Obligations under the Hedge Agreement are computed based upon a fixed rate of interest, the actual rate of interest upon which the County's Hedge Obligations are computed under such Hedge Agreement, and (B) if the County's Hedge Obligations under the Hedge Agreement are computed based upon a variable rate of interest, the average rate of interest for the County's Hedge Obligations under the Hedge Agreement for the prior fiscal year or portion thereof while the Hedge Agreement was in effect or if the Hedge Agreement was not in effect during such prior fiscal year, then the lesser of (X) the initial rate of interest for the County's Hedge Obligations under the Hedge Agreement and (Y) the average rate of interest for the prior fiscal year under a published variable interest rate index selected by the County which is generally consistent with the formula which shall be used to determine the County's Hedge Obligations; "average rate" with respect to the County's Hedge Obligations for the prior fiscal year means the rate determined by dividing the total annualized amount paid by the County under the Hedge Agreement in such fiscal year or portion thereof (without taking into account Hedge Receipts during such prior fiscal year or portion thereof) by the "notional" amount specified in the Hedge Agreement for such fiscal year.

"Project" means any project which shall be financed or refinanced under the provisions of the Trust Agreement, including, without limitation, any project permitted under Chapter 125, Florida Statutes, or Chapter 166, Florida Statutes.

"put bonds" means all bonds which in accordance with, or pursuant to, the resolution authorizing the issuance of a Series of bonds, may be tendered for payment or purchase by or on behalf of the County prior to the stated maturities thereof.

"Reserve Account Requirement" means, as of any date of calculation, one half (1/2) of the maximum amount of Principal and Interest Requirements for any fiscal year thereafter on account of all bonds then Outstanding.

"Reserve Facility" means any insurance policy, surety bond, irrevocable letter of credit or other credit agreement or similar facility maintained by the County in lieu of or in substitution for cash or securities on deposit in the Reserve Account, which is issued by a provider rated on the date of deposit of such facility into the Reserve Account created in the Sinking Fund in one of the two highest rating categories (without regard to any gradations within such categories) of a nationally recognized rating

agency, including in every case the nationally recognized rating agency which rated the bonds on account of which such facility is obtained.

"Revenues" means all moneys received or earned by the County for the use of, and for the services and facilities furnished by, the Port Authority Properties and all other income derived by the County from the operation or ownership of said Properties, including any ground rentals paid for land on which buildings or structures may be constructed, whether such buildings or structures shall be financed by bonds issued under the provisions of the Trust Agreement or otherwise, and Hedge Receipts, but shall not include any moneys received as a grant or gift from the United States of America or the State of Florida or any department or agency of either thereof or any moneys received from the sale of property under the provisions of the Trust Agreement or, unless otherwise provided by resolution of the Board, any Passenger Facilities Charges. The County may select whether to use a cash or accrual basis of accounting, but if it chooses a method that is different than the method then being used, it may only make a change to the extent such change is presented retroactively for each year as if it had been in effect for the last five years.

"variable rate bonds" means bonds issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the entire term thereof at the date of issue and which may be convertible to a fixed interest rate.

Application of Bond Proceeds

The Trust Agreement provides for the creation of the Construction Fund held by the Co-Trustee to the credit of which shall be deposited the proceeds of any bonds issued for Projects or Improvements. Separate Series Accounts are required to be created in the Construction Fund with respect to each Series of bonds issued. The moneys in the Construction Fund shall be disbursed to pay the cost of Improvements or Projects upon submission by the County to the Co-Trustee of requisitions therefor or to pay interest on bonds as provided in, or pursuant to, the resolution authorizing such bonds. Moneys in the Construction Fund shall be subject to a lien and charge in favor of the holders of the bonds until paid out or transferred.

Collection and Disposition of Revenues

Revenue Fund, Annual Budget and Payment of Current Expenses

The Trust Agreement provides for all Revenues to be deposited with the Co-Trustee in the Revenue Fund and to be disbursed only in accordance with the terms of the Trust Agreement. Funds in the Revenue Fund are to be applied first to the payment of Current Expenses as the same become due and payable. Moneys on deposit to the credit of the Revenue Fund shall be invested by the Co-Trustee, at the direction of the County, in Authorized Investments having such maturities as specified by the County.

The Trust Agreement requires the preparation and adoption by the County of an Annual Budget of Current Expenses and Capital Expenditures for each fiscal year. The Trust Agreement provides that all expenditures for Current Expenses shall be made only upon the filing with the Co-Trustee of the requisitions required by the Trust Agreement. The County may requisition from the Co-Trustee, at one time or from time to time, a sum or sums aggregating not more than $100,000 (exclusive of reimbursement) to be used as a revolving fund for the payment of Current Expenses as cannot conveniently otherwise be paid. The County covenants that it will at all times maintain and operate the Port Authority Properties in an efficient and economical manner and keep the same in good repair and sound operating condition and make all necessary repairs, renewals and replacements. The County

covenants that the Current Expenses incurred in any fiscal year will not exceed the reasonable and necessary amount thereof.

In addition to the Revenue Fund, the Trust Agreement creates three other funds: the Sinking Fund (and three accounts therein - the Bond Service Account, the Reserve Account and the Redemption Account), the Reserve Maintenance Fund and the Improvement Fund. After reserving in the Revenue Fund as of the end of each month an amount up to 20% of the Current Expenses for the current fiscal year as shown by the Annual Budget, the Co-Trustee shall remit to the Trustee the balance of the moneys in the Revenue Fund. The Trustee shall deposit the money so received to the credit of the following Accounts or Funds in the order set forth below:

Bond Service Account

There is required to be deposited to the credit of the Bond Service Account in the Sinking Fund an amount equal to 1/6 of the amount of the next interest payment on all bonds Outstanding and (beginning with the twelfth month preceding the first maturity of any serial bonds of a Series) an amount equal to 1/12 of the amount of the next principal payment on account of any such serial bonds.

This requirement shall be cumulative and the amount of any deficiency in any month shall be added to the amount otherwise required to be deposited to the credit of such Account in each month thereafter until such time as such deficiency shall be made up.

The Trustee shall from time to time withdraw sufficient moneys from the Bond Service Account to pay the interest on all Outstanding bonds and the principal of all serial bonds as the same become due.

Redemption Account

From the moneys remaining after making the required deposit to the Bond Service Account, there is required to be deposited to the credit of the Redemption Account in the Sinking Fund an amount equal to 1/12 of the Amortization Requirement, if any, for such fiscal year for any term bonds then Outstanding, plus an amount equal to 1/12 of the premium, if any, which shall be payable on the redemption date with respect to such Amortization Requirement if such principal amount of bonds should be redeemed on such date from moneys in the Sinking Fund.

This requirement shall be cumulative and the amount of any deficiency in any month shall be added to the amount otherwise required to be deposited to the credit of such Account in each month thereafter until such time as such deficiency shall be made up.

Moneys held for the credit of the Redemption Account shall be used to retire bonds issued under the Trust Agreement as follows:

(a) Subject to paragraph (c) below, the Trustee shall endeavor to purchase bonds, whether or not such bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, having due regard to interest rate and price, such price not to exceed the principal and premium, if any, which would be payable on the next redemption date with respect to such bonds. (Accrued interest on such bonds shall be paid from the Bond Service Account, with the purchase price payable from the Redemption Account.)

(b) Subject to the provisions of the Trust Agreement relating to the redemption of bonds and to paragraph (c) below, the Trustee shall call for redemption on each interest payment date on which bonds are subject to redemption from moneys in the Sinking Fund such amount of bonds then subject to

redemption as, with the redemption premium, if any, will as nearly as possible exhaust the Redemption Account, provided that not less than $50,000 principal amount of bonds shall be called at any one time.

(c) Moneys in the Redemption Account shall be applied to the purchase or redemption of bonds in the following order:

First, term bonds of each Series, if any, in the order of their issuance, to the extent of the Amortization Requirement, if any, of the then current fiscal year for such term bonds plus the applicable premium, if any, and any deficiency in preceding fiscal years in the purchase or redemption of such term bonds; provided, however, that if none of the term bonds of a Series shall be subject to redemption from moneys in the Sinking Fund and if the Trustee shall at any time be unable to exhaust the moneys applicable to the bonds of any such Series in the purchase of such bonds under the provisions of paragraph (a) above, such moneys or the balance of such moneys, as the case may be, shall be retained in the Redemption Account and, as soon as it is feasible, applied to the retirement of the term bonds of such Series;

Second, to the purchase of any bonds secured under the provisions of the Trust Agreement and then Outstanding, whether or not such bonds shall be subject to redemption, in accordance with the provisions of paragraph (a) above;

Third, term bonds of each Series in proportion (as nearly as practicable) to the aggregate principal amount of the bonds of each such Series originally issued; and

Fourth, after the retirement of all Outstanding term bonds, serial bonds issued under the provisions of the Trust Agreement in the inverse order of their maturities and, to the extent the serial bonds of different Series mature on the same date, in proportion (as nearly as practicable) to the principal amount of the bonds of each Series maturing on such date.

Reserve Account

From the moneys remaining in the Revenue Fund after making the required monthly deposits to the Bond Service Account and Redemption Account described above, there shall be deposited to the credit of the Reserve Account in the Sinking Fund an amount equal to 1/60 of the Reserve Account Requirement under the Trust Agreement until the amount to the credit of the Reserve Account (including amounts available under any Reserve Facilities) shall be equal to the Reserve Account Requirement; provided, however, that if the required deposit to the Reserve Account is being satisfied by the reinstatement of any amount drawn under a Reserve Facility, there shall be paid to the provider thereof such amount as shall be required to cause the provider to reinstate no less than the required deposit for such month.

This requirement shall be cumulative and the amount of any deficiency in any month shall be added to the amount otherwise required to be deposited to the credit of such Account in each month thereafter until such time as such deficiency shall be made up.

Moneys in the Reserve Account shall be used by the Trustee to pay the interest due on the Outstanding bonds and maturing principal of serial bonds whenever and to the extent that the moneys held for the credit of the Bond Service Account are insufficient for such purpose, and, immediately following the use of such moneys for the payment of such interest and principal for the purpose of making up any prior deficiencies in deposits to the credit of the Redemption Account whenever the moneys in the

Revenue Fund are insufficient for such purpose. If at any time the balance in the Reserve Account shall exceed the Reserve Account Requirement, such excess shall be transferred to the credit of the Redemption Account or withdrawn by the Trustee and deposited with the Co-Trustee to the credit of the Improvement Fund as may be specified by the County.

In lieu or in satisfaction of any required deposit into the Reserve Account or in substitution for all or a portion of the amounts on deposit therein, the County may cause to be deposited into the Reserve Account a Reserve Facility for the benefit of the holders of the bonds, which Reserve Facility shall be available to be drawn (upon the giving of notice as required thereunder) on any payment date on which a deficiency exists for payment of the bonds, which deficiency is payable from the Reserve Account and which cannot be cured by moneys in the Reserve Account or any other fund or account held pursuant to the Trust Agreement and available for such purpose. If any such Reserve Facility is substituted for moneys on deposit in the Reserve Account, the excess moneys in the Reserve Account shall be applied to satisfy any deficiency in any of the funds and accounts, and any remaining balance shall be deposited with the Co-Trustee to the credit of the Improvement Fund. If a disbursement is made from a Reserve Facility, the County shall be obligated, in accordance with the provisions of the Trust Agreement, to either (i) reinstate such Reserve Facility, (ii) deposit moneys in the Reserve Account, or (iii) undertake a combination of such alternatives.

In the event the Reserve Account is at any time funded with more than one Reserve Facility, any required draw under such facilities shall be made on a pro-rata basis thereunder; provided, however, that if at the time of such draw the Reserve Account is only partially funded with one or more Reserve Facilities, prior to drawing on such facilities, there shall first be applied any cash and securities on deposit in the Reserve Account and, if after such application a deficiency exists, the Trustee shall make up the deficiency by drawing on such facilities as provided in this paragraph. Amounts drawn or paid under a Reserve Facility shall be reimbursed to the provider thereof in accordance with the terms and provisions of the reimbursement or other agreement governing such facility entered into between the County and such provider.

Reserve Maintenance Fund

From the moneys remaining in the Revenue Fund after making the required deposits to the Bond Service Account, Redemption Account and Reserve Account described above, there shall be deposited with the Co-Trustee to the credit of the Reserve Maintenance Fund the amount required to make the amount deposited during such fiscal year equal to the amount recommended by the Consulting Engineers in a report prepared after an annual inspection of the Port Authority Properties by the Consulting Engineers or such greater amount as may from time to time be directed by the Director in writing to the Co-Trustee, such amount to be increased or decreased in accordance with any amendments to the Annual Budget of Capital Expenditures.

Moneys held for the credit of the Reserve Maintenance Fund shall be used only for paying all or part of the cost of unusual or extraordinary maintenance or repairs, renewals and replacements, the cost of replacing equipment, and premiums on insurance required by the Trust Agreement; provided, however, that moneys in said Fund may also be disbursed:

(a) To meet an emergency caused by some extraordinary occurrence, so characterized by a certificate signed by the Consulting Engineers and filed with the Co-Trustee and accompanied by a certificate from the Director stating that funds to the credit of the Revenue Fund are insufficient to meet such emergency,

(b) To pay interest due on the Outstanding bonds and the principal on serial bonds, or the deposits required to be made to the credit of the Redemption Account, in the event the moneys to the credit of the Bond Service Account and the Reserve Account are insufficient for such purpose, and

(c) To pay any additional amount necessary to repair, replace or reconstruct damaged or destroyed property over and above any proceeds of insurance covering such damaged or destroyed property.

Moneys may also be transferred from the Reserve Maintenance Fund to the Revenue Fund if the County shall direct the same by resolution and the Consulting Engineers shall certify that the amount to be transferred is not required for the purposes for which the Reserve Maintenance Fund was created.

Improvement Fund

The balance of any moneys remaining in the Revenue Fund after making the required deposits to the Bond Service Account, the Redemption Account, the Reserve Account and the Reserve Maintenance Fund described above shall be deposited with the Co-Trustee to the credit of the Improvement Fund; provided, however, that the County may by resolution direct the Trustee to deposit all or part of such balance from the Revenue Fund to the credit of the Redemption Account.

Moneys held for the credit of the Improvement Fund may be disbursed by the County from time to time for any airport or airport-related purpose, and for the retirement of any bonds issued under the provisions of the Trust Agreement or may be pledged by the County to the payment of any bonds or other obligations issued or assumed by it. Unencumbered funds in the Improvement Fund shall be used to make up a deficiency in any Series Account in the Construction Fund in the amount required to complete payment of the cost of any Improvements or Project payable from such Series Account.

There may also be deposited to the credit of the Improvement Fund any moneys received by the County from any property or facilities owned or operated by it which do not constitute a part of the Port Authority Properties.

Alternate Provisions for Certain Bonds and Hedge Agreements

A resolution authorizing the issuance of a particular Series of bonds may provide alternative provisions relating to the payment of the principal of and interest on such bonds, in which event deposits to the credit of the Bond Service Account, the Redemption Account and the Reserve Account on account of the bonds of such Series, shall, if and to the extent provided in, or pursuant to, such resolution, be made at such times and in such amounts, and may be set aside and held for the account of and disposition by the County, all as shall be provided in such resolution.

The County may authorize, by resolution, a Hedge Agreement with respect to any Series of bonds, including any Outstanding bonds and any bonds thereafter issued under the Trust Agreement. Such resolution may provide for deposits to the credit of the Bond Service Account under the Trust Agreement for the payment of Hedge Obligations (but not Hedge Charges) to be made at such time and in such amounts, and to be set aside and held for the account of and for the disposition by the County all as shall be provided in such resolution; provided, however, that the Counterparty shall under no circumstances be granted a lien upon or pledge of Net Revenues ranking prior to or on a parity with the lien or pledge created by the Trust Agreement; and provided further, however, that Hedge Charges shall only be payable from the Improvement Fund.

Investment of Funds

Moneys on deposit to the credit of any funds and accounts held under the Trust Agreement, including the Construction Fund, shall as nearly as may be practicable, be invested and reinvested, at the direction of the County, in Authorized Investments. Moneys on deposit to the credit of the Reserve Account shall, as nearly as practicable, be invested and reinvested by the Trustee, at the direction of the County, in Authorized Investments which shall mature or which shall be subject to redemption at the option of the holder not later than fifteen (15) ***years*** after the date of such investment.

Moneys on deposit to the credit of the Revenue Fund, the Reserve Maintenance Fund and the Improvement Fund shall be invested by the Co-Trustee, at the direction of the County, in Authorized Investments having such maturities as specified in a certificate of the County.

Temporary Financing

The County may at any time or times issue its notes or other obligations to finance temporarily any of the Improvements or Projects for which it may issue additional bonds under the Trust Agreement, payable not from Revenues, but solely from the proceeds of such bonds or from any unencumbered moneys in the Improvement Fund. If additional bonds are issued under the Trust Agreement to pay such notes or obligations, the Improvements or Project financed with such notes or other obligations shall then constitute a part of the Port Authority Properties.

Issuance of Additional Bonds

The County may issue additional bonds payable on a parity with the bonds under the Trust Agreement (the "Additional Bonds") at any time or times for the purpose of paying all or part of the cost of any additional Improvements or Project or any portions thereof, including the payment of any notes or other obligations of the County or the repayment of any advances made from any source to temporarily finance such cost, and for making a deposit to the Reserve Account in an amount not to exceed the increase in the Reserve Account Requirement related to the issuance of such Series of bonds. Such bonds shall not be authenticated by the Trustee, in accordance with the then-current form of the Trust Agreement, until the following documents, among others, have been received and the following conditions have been met:

(a) A copy of the resolution authorizing the issuance of the Additional Bonds.

(b) If not provided in the resolution under (a) above, a copy of the resolution awarding such Additional Bonds and directing the authentication and delivery of such Additional Bonds to or upon the order of the principal underwriters upon payment of the purchase price therefor.

(c) A statement, signed by the Consulting Engineers certifying that the construction or acquisition of the Improvements or Project described in the resolution authorizing the issuance of such Additional Bonds is, in their opinion, necessary to place or maintain the Port Authority Properties in proper condition for their safe, efficient and economic operation or to preserve, extend, increase or improve the service rendered by the Port Authority Properties, and giving their estimate of the total cost of the Improvements or Project or portions thereof (including a reserve for contingencies), to be financed in whole or in part by the issuance of such Additional Bonds.

(d) To the extent necessary for purposes of (h)(ii) below, a statement, signed by the Traffic Engineers, giving their estimates (taking into account the information contained in item (iv) of the certificate of the Director mentioned in (e) below) of:

(i) The amounts of the Current Expenses in each of the five fiscal years immediately following the date of said statement or, if interest on the Additional Bonds is to be paid from proceeds of such Additional Bonds, in each of the five fiscal years immediately following the last date on which interest on such Additional Bonds is to be paid from proceeds of such Additional Bonds, and

(ii) The amount of annual Net Revenues in each of the five fiscal years immediately following the date of said statement or, if interest on the Additional Bonds is to be paid from proceeds of such Additional Bonds, in each of the five fiscal years immediately following the last date on which interest on such Additional Bonds it to be paid from proceeds of such Additional Bonds.

(e) A certificate, signed by the Director (and approved by the Trustee as to item (i) below and by the Traffic Engineers as to any adjustments described in item (iii) below), setting forth:

(i) The amount of the Principal and Interest Requirements for each succeeding fiscal year on account of all bonds then Outstanding and the Additional Bonds,

(ii) The amount, if any, which is then available or will be made available for paying the cost of such Improvements or Project or portions thereof and the source or sources from which such amount has been or will be received,

(iii) To the extent necessary for purposes of (h)(ii) below, the amount of Net Revenues for any period of twelve consecutive calendar months selected by the County out of the eighteen calendar months immediately preceding the date of said certificate (the "Computation Period"); provided, however, that if the rates and charges for the use of, and for the services and facilities furnished by, the Port Authority Properties shall have been revised prior to the date of such certificate, the Net Revenues for the Computation Period may be adjusted to reflect the amounts which would have been received had such rates and charges been in effect throughout the Computation Period, and

(iv) If interest on the Additional Bonds is to be paid from proceeds of such Additional Bonds, the last date on which interest on such Additional Bonds is expected to be paid from proceeds of such Additional Bonds.

(f) A certificate of the Director stating that the County is not in default under any provisions of the Trust Agreement.

(g) An opinion of the County Attorney stating that the proposed Additional Bonds have been duly authorized and all conditions to their delivery have been met.

(h) The Trustee has determined that:

(i) The proceeds (excluding accrued interest) of such Additional Bonds to be applied to the costs of the Improvements or Project or portions thereof to be financed in whole or in part by the Additional Bonds, together with any other funds made available therefor, shall be not less than the estimated total cost of the Improvements or Project or portions thereof to be financed in whole or in part by the Additional Bonds;

(ii) Either: (a) the percentage derived by dividing the amount of Net Revenues shown in item (iii) of the certificate of the Director mentioned in (e) above by the largest amount of Principal and Interest Requirements shown for any fiscal year in item (i) of said certificate mentioned in (e) above shall not be less then 120%, or (b) the percentages derived by dividing the amount of Net Revenues for each of the fiscal years shown in item (ii) of the statement of the Traffic Engineers mentioned in (d) above by the amount of Principal and Interest Requirements shown for the corresponding fiscal years in item (i) of the certificate of the Director mentioned in (e) above shall not be less than 120%; and

(iii) The amount to the credit of the Reserve Account in the Sinking Fund (including amounts available under any Reserve Facilities) shall be not less than the amount then required to be on deposit to the credit of the Reserve Account at such time under the terms of the Trust Agreement.

The proceeds of any such Additional Bonds, exclusive of accrued interest, are to be deposited in the Reserve Account to the extent necessary and the balance is to be deposited with the Co-Trustee to the credit of the related Series Account in the Construction Fund.

The Trust Agreement also provides an alternative for the issuance of Additional Bonds for completion of any Improvements or a Project in the event that the bonds initially issued for such Improvements or Project are insufficient to complete that Improvement or Project. Such Additional Bonds may be issued without meeting the requirements set forth in (a) through (h) above in order to provide additional funds for completion of Improvements or Projects, as shown by a resolution of the Board and a statement of the Consulting Engineers. Such Additional Bonds shall constitute a part of the same Series of the bonds as the bonds initially issued for the uncompleted Improvement or Project. Such Additional Bonds shall bear the same date as the bonds initially issued for such Improvements or Projects, but may be made subject to redemption at different times and prices. If the bonds initially issued were serial bonds, then the Additional Bonds shall be serial bonds maturing in annual installments beginning not earlier than one year after their delivery and ending in the year of the latest stated maturity of the bonds initially issued, and the annual installments shall be in such amounts that the Principal and Interest Requirements of such Additional Bonds shall be as nearly equal as the County deems practicable. If the bonds initially issued shall consist of term bonds or both serial bonds and term bonds, then the Additional Bonds shall be term bonds maturing on the same date as the term bonds initially issued, and the resolution authorizing the Additional Bonds shall fix, or provide for the fixing of, the Amortization Requirements for such Additional Bonds, beginning not earlier than one year after the date of delivery of such Additional Bonds and being that percentage, as nearly as practicable, of the Amortization Requirements for the term bonds initially issued which is derived by dividing the principal amount of the Additional Bonds by the principal amount of the term bonds initially issued. If an issue of Additional Bonds meets the requirements set forth in (a) through (h) above, such Additional Bonds do not have to meet the requirements set forth in this paragraph.

Issuance of Refunding Bonds

The County may issue revenue refunding bonds payable on a parity with the bonds under the Trust Agreement (the "Refunding Bonds") to:

(a) Refund at their maturity all or any portion of the Outstanding bonds of any Series which mature within 3 months thereafter. Such Refunding Bonds shall mature in a year not earlier than the year of the latest stated maturity of any bonds then Outstanding under the Trust Agreement.

(b) Redeem prior to or paying at their maturity all or any portion of the Outstanding bonds of any Series issued under the provisions of the Trust Agreement, including the payment of any redemption premium thereon and interest to accrue thereon to the date fixed for their redemption or maturity, as applicable, paying costs of issuance with respect thereto and making a deposit to the Reserve Account in an amount not to exceed the increase, if any, in the Reserve Account Requirement relating to the issuance of such Series Refunding Bonds.

(c) Refund all or any portion of obligations then outstanding which have not been issued under the provisions of the Trust Agreement for the payment of which there are pledged revenues of any airport or airport-related project or projects.

Refunding Bonds may be issued only if there shall be filed with the Trustee (i) a copy of the resolution authorizing such Refunding Bonds, (ii) if not provided in the resolution under (i) above, a copy of the resolution awarding such Refunding Bonds and directing the authentication and delivery of such Refunding Bonds, (iii) an opinion of the County Attorney stating that the issuance of such Refunding Bonds has been duly authorized and all conditions precedent thereto have been fulfilled and (iv) if such Refunding Bonds are to be issued for the purpose of redeeming bonds of any Series prior to their stated maturity, such documents as shall be required by the Trustee to show that provision has been duly made in accordance with the Trust Agreement for the redemption of all bonds to be refunded which are to be redeemed prior to their stated maturity.

Refunding Bonds may only be issued for the purpose described in (b) above if, among other conditions described in the Trust Agreement, either (A) the total Principal and Interest Requirements for the Refunding Bonds during their term is less than the total Principal and Interest Requirements for the bonds to be refunded during their term, (B) the percentage derived by dividing (i) the Net Revenues for the Computation Period by (ii) the maximum amount of Principal and Interest Requirements for any succeeding fiscal year on account of all bonds theretofore issued under the provisions of the Trust Agreement and then Outstanding (other than the refunded bonds) and the proposed Refunding Bonds, as set forth in a certificate of the Director, approved by the Traffic Engineers as to (i) above to the extent of any adjustments to Net Revenues and approved by the Trustee as to item (ii) above, shall not be less than 120%, or (C) the percentages derived by dividing (i) the estimated amount of annual Net Revenues in each of the five fiscal years immediately following delivery of the Refunding Bonds (such Net Revenues to be determined from the Revenues and Current Expenses as estimated by the Traffic Engineers in a statement signed by the Traffic Engineers) by (ii) the amount of the Principal and Interest Requirements for each of such five fiscal years on account of all bonds theretofore issued under the provisions of the Trust Agreement and then Outstanding (other than the refunded bonds) and the proposed Refunding Bonds, as set forth in a certificate of the Director, shall not, in each such year, be less than 120%.

Issuance of Refunding Bonds for the purpose described in (c) above may be undertaken only if, among other conditions described in the Trust Agreement, (A) the percentages derived by dividing the estimated amount of annual Net Revenues of the Port Authority Properties, including the project or

projects financed with the obligations to be refunded, in each of the five fiscal years immediately following delivery of such Refunding Bonds, as estimated by the Traffic Engineers in accordance with the terms of the Trust Agreement, by the amount of the Principal and Interest Requirements for the corresponding fiscal years for all bonds then Outstanding and the proposed Refunding Bonds shall not, in each such year, be less than 120%, and (B) the County is not then in default under the Trust Agreement and there is no deficiency in the Reserve Account in the Sinking Fund.

Refunding Bonds issued for any of the above purposes shall mature not later than forty years from their date and may be subject to redemption prior to maturity (including from Amortization Requirements for any term bonds).

Other Types of Bonds, Credit Enhancement and Hedge Agreements

The County may (i) provide that any bonds authorized to be issued under the Trust Agreement may be issued as capital appreciation bonds, capital appreciation and income bonds, convertible bonds, put bonds, variable rate bonds or such other types of bonds as may be marketable from time to time, or any combination thereof, (ii) provide that such bonds shall be additionally secured by a Credit Facility and/or Liquidity Facility, (iii) enter into agreements with any bank, dealer in tax exempt bonds or other institution for the remarketing of bonds which have been tendered for payment, (iv) enter into agreements with any bank or other financial institution providing a Credit Facility or Liquidity Facility for the reimbursement of funds advanced under such Credit Facility or Liquidity Facility, and (v) enter into Hedge Agreements.

For purposes of determining the principal amount of a capital appreciation bond or a capital appreciation and income bond for redemption, acceleration or computation of the amount of bonds held by the holder thereof in giving any notice, consent, request or demand pursuant to the Trust Agreement for any purpose whatsoever, the principal amount of a capital appreciation bond shall be deemed to be its Accreted Value and the principal amount of a capital appreciation and income bond shall be deemed to be its Appreciated Value.

Use of Port Authority Properties

The County covenants that it will establish and enforce reasonable rules and regulations governing the use of the Port Authority Properties and the operation thereof, that all compensation, salaries, fees and wages paid by it in connection with the maintenance, repair and operation of the Port Authority Properties will be reasonable, that no more persons will be employed by it than are necessary, and that it will maintain and operate the Port Authority Properties in an efficient and economical manner, that it will at all times maintain the same in good repair and in sound operating condition and will make all necessary repairs, renewals and replacements.

Disposal of Port Authority Properties

The County covenants that except as otherwise permitted in the Trust Agreement it will not sell or otherwise dispose of or encumber the Port Authority Properties or any part thereof and will not create or permit to be created any charge or lien on the Revenues thereof ranking equally with or prior to the charge or lien on such Revenues of the bonds issued under and secured by the Trust Agreement; provided, however, that the County may, from time to time, sell or otherwise dispose of property forming part of the Port Authority Properties, if the Director shall determine that such property is no longer needed or is no longer useful in connection with the construction or operation and maintenance of the Port Authority Properties (with any proceeds thereof to be applied to the replacement of the property so sold or disposed

of or deposited to the credit of the Redemption Account in the Sinking Fund, the Reserve Maintenance Fund or the Revenue Fund as the Board shall determine by resolution).

Bonds Secured Otherwise Than by the Trust Agreement

Nothing in the Trust Agreement is to be construed as preventing the issuance by the County of obligations secured by other than the revenues pledged as security for the bonds issued under the provisions of the Trust Agreement. The County covenants, however, that: (1) none of the Revenues of the Port Authority Properties will be used for any purpose other than as provided in the Trust Agreement, (2) it will not construct or consent to the construction of any project (including any building or structure at Miami International Airport) other than such projects as shall be financed by Additional Bonds under the Trust Agreement unless there shall be filed with the Clerk of the Board (a) a statement, signed by the Traffic Engineers, certifying that in their opinion, the operation of such project will not affect the County's compliance with the rate covenant set forth in the Trust Agreement and (b) a statement, signed by the Consulting Engineers, certifying that the operation of such project will not impair the operating efficiency of the Port Authority Properties, and (3) no contracts will be entered into or any action taken that would impair or diminish the rights of the Trustee, the Co-Trustee, and the bondholders. An airport or airport-related project financed by obligations not issued under the Trust Agreement may be added to the Port Authority Properties by resolution of the Board if the amount of the annual Net Revenues of the Port Authority Properties including such project in each of the five fiscal years immediately following the inclusion of such project in the Port Authority Properties, as estimated by the Traffic Engineers in accordance with the terms of the Trust Agreement, after deducting the amount of the average annual deposits estimated by the Consulting Engineers to be required to be made to the credit of the Reserve Maintenance Fund in such five fiscal years, will, in each such fiscal year, be not less than 120% of the Principal and Interest Requirements for such fiscal year on account of all bonds then Outstanding under the Trust Agreement.

Insurance

The County covenants that it will maintain a practical insurance program, with reasonable terms, conditions, provisions and costs which the Director determines, with the approval of an independent risk management consultant having a nationwide and favorable repute for skill and experience in such work selected by the County, will afford adequate protection against loss caused by damage to or destruction of the Port Authority Properties or any part thereof and also such comprehensive public liability insurance on the Port Authority Properties for bodily injury and property damage and in such amounts as may be approved by such independent risk management consultant.

All such insurance policies shall be carried in a responsible insurance company or companies authorized and qualified under the laws of the State of Florida to assume the risks thereof.

The proceeds of all such insurance covering damage to or destruction of Port Authority Properties shall be deposited with the Co-Trustee and shall be available for and shall, to the extent necessary and in the opinion of the Consulting Engineers desirable, be applied to the repair, replacement or reconstruction of the damaged or destroyed property, and shall be paid out in the manner provided in the Trust Agreement for payments from the Construction Fund. If such proceeds are more than sufficient for such purpose, the balance remaining shall be deposited to the credit of the Reserve Maintenance Fund. If such proceeds shall be insufficient for such purpose, the deficiency shall be supplied out of any moneys in the Reserve Maintenance Fund.

Engineers

The County covenants to employ an independent engineer or engineering firm or corporation having a nationwide and favorable repute for skill and experience in such work for the purpose of carrying out the duties imposed on the Consulting Engineers as detailed in the Trust Agreement, and to employ an independent engineer or engineering firm or corporation having a nationwide and favorable repute for skill and experience in such work to perform the duties imposed on the Traffic Engineers by the Trust Agreement.

Audits and Reports

The County covenants to keep accurate records and accounts of the Revenues of the Port Authority Properties, of the application of such Revenues and of all items of costs and expenditures relating to the Port Authority Properties. Such records and accounts shall be open to the inspection of all interested persons.

The County also covenants to file monthly with the Trustee and Co-Trustee and mail to the Consulting Engineers and each bondholder who has filed his name and address with the County for such purpose, any revisions of the rates and charges for the Port Authority Properties made during the preceding calendar month and a report of the preceding calendar month setting forth the Revenues and Current Expenses of the Port Authority Properties, the deposits to, and withdrawals from, each special fund and account created under the Trust Agreement, the details of all bonds issued, paid, purchased or redeemed, a balance sheet as of the end of such month, the balance in each fund and account and the details of investments thereof and the proceeds received from any sales of property.

The County further covenants that it will cause an audit of its books and accounts to be made annually by an independent firm of certified public accountants of recognized ability and standing, and that it will cause an annual report of the operations of the Port Authority Properties covering matters usually contained in annual reports for similar properties, to be prepared and filed with the County, the Consulting Engineers, the Trustee, the Co-Trustee, each provider of a Credit Facility and each bondholder who shall have filed his name and address with the County for such purposes. Such annual reports shall be open to the inspection of all interested persons.

Defeasance

If, in addition to any requirements set forth in any resolution authorizing the issuance of a particular Series of bonds, when the bonds secured under the Trust Agreement shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the bonds for redemption shall have been given by the County to the Trustee, the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the bonds and coupons then Outstanding shall be paid or sufficient moneys, Government Obligations, or a combination of moneys and Government Obligations, shall be held by the Trustee or the Paying Agents for such purpose, and provision shall also be made for paying all other sums payable under the Trust Agreement by the County, then and in that case the right, title and interest of the Trustee and of the Co-Trustee shall thereupon cease, determine and become void, and the Trustee and the Co-Trustee in such case, on demand of the County, shall release the Trust Agreement and shall execute such documents to evidence such release as may be reasonably required by the County, and shall turn over to the County or to such officer, board or body as may then be entitled by law to receive the same any surplus in any account in the Sinking Fund and all balances remaining in any other funds or accounts other than moneys held for redemption or payment of bonds or coupons; otherwise the Trust Agreement shall be, continue and remain in full force and effect.

For purposes of the above paragraph, Government Obligations shall be deemed sufficient to pay or redeem bonds if the principal of and interest on such Government Obligations, when due, will be sufficient to pay the principal and the interest and the redemption premium, if any, due on the bonds.

Amendments or Modifications

Any of the provisions of the Trust Agreement may be modified or amended from time to time by supplemental agreements entered into by the County and Trustees upon the consent of the holders of not less than two-thirds in an aggregate principal amount of the bonds then Outstanding, provided that any such modification or amendment will not permit (a) extension of the maturity of the principal of or the interest on any bond, (b) a reduction of the principal amount of any bond or the redemption premium or the rate of interest of any bond, (c) the creation of a lien or a pledge of revenues ranking prior to or on a parity with the lien or pledge created by the Trust Agreement, (d) a preference or priority of any bond or bonds over any other bond or bonds, or (e) a reduction in the aggregate principal amount of the bonds required for consent to such supplemental agreements.

The County and the Trustees may, without the consent of the bondholders, enter into supplemental agreements to cure any ambiguity, formal defect or omission in the Trust Agreement or any supplemental agreement or to grant to or confer upon the Trustees or either of them for the benefit of the bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the bondholders or the Trustees or either of them.

So long as the provider of a Credit Facility has not defaulted in its obligations thereunder, such provider will be deemed the holder of all bonds secured by such Credit Facility for purposes of any required consents and approvals to such supplemental agreements from the holders of bonds.

The holders of any Series of bonds to be issued under the Trust Agreement shall be deemed to have consented to a supplemental agreement if the principal underwriters of such Series of bonds shall consent in writing to such supplemental agreement and the nature of such supplemental agreement is disclosed in any offering document pursuant to which such Series of bonds is being offered for sale.

Remedies of Bondholders

The Trust Agreement defines events of default as (i) the failure to pay the principal of and any redemption premium on any of the bonds and, if provided in, or pursuant to, the resolution authorizing the issuance of a particular Series of bonds, payment of the purchase price thereof, when the same shall become due and payable, whether at maturity, pursuant to optional or mandatory tender or upon call for redemption or otherwise, (ii) the failure to pay interest within 10 days after the same shall become due and payable, (iii) the failure to deposit to the credit of the Redemption Account in any fiscal year an amount equal to the Amortization Requirement for such fiscal year for the term bonds of each Series then Outstanding, (iv) the County shall for any reason be rendered incapable of fulfilling its obligations under the Trust Agreement, (v) a final judgment for the payment of money shall be rendered against the County as a result of the ownership, control or operation of the Port Authority Properties and not discharged, appealed or stayed within 60 days from the entry thereof, (vi) a receiver of the Port Authority Properties or the Revenues shall have been appointed and, if such appointment was without the consent or acquiescence of the County, shall not have been vacated, stayed, or discharged within 60 days after the entry of an order or decree appointing said receiver, (vii) any proceeding shall be instituted with the consent and acquiescence of the County, for the purpose of effecting a composition or adjustment of claims between the County and creditors pursuant to any federal or state statute, if such claims are payable out of Revenues, and (viii) the default by the County, after 30 days' notice thereof by the Trustee, in the due and punctual performance of any of the covenants or provisions in the bonds or in the Trust

Agreement, provided that if such default shall be of a type which can be remedied but not within 30 days, it shall not constitute an event of default if the County in good faith begins and diligently pursues to remedy such default within such 30-day period.

The Trust Agreement provides that failure to meet the minimum requirements, set forth in subparagraphs (ii) and (iii) under the caption "SECURITY FOR THE SERIES 2009 BONDS – Rate Covenant" in the main body of the Official Statement, in any fiscal year, of the Reserve Maintenance Fund or the Sinking Fund does not in itself constitute an event of default if the County shall comply with all recommendations of the Traffic Engineers as to rates and charges; however, the Trustee or the holders of not less than 15%, or after none of the bonds issued prior to the Effective Date are Outstanding, the holders of not less than a majority, in principal amount of bonds Outstanding may, or upon the request of not less than ten percent (10%), or after none of the bonds issued prior to the Effective Date are Outstanding, the holders of not less than a majority, in principal amount of bonds Outstanding, and upon being indemnified to its satisfaction, the Trustee shall institute appropriate action to compel the County to revise the rates and changes.

In the event of default, the Trustee may, and upon the request of the holders of not less than 20%, or after none of the bonds issued prior to the Effective Date are Outstanding, the holders of not less than a majority, in principal amount of the Outstanding bonds shall, declare the principal of all Outstanding bonds to be due and payable immediately. The Trustee may, and upon the request of the holders of not less than ten percent (10%), or after none of the bonds issued prior to the Effective Date are Outstanding, the holders of not less than a majority, in principal amount of the Outstanding bonds shall, proceed to protect and enforce its rights and the rights of the bondholders by such suits, actions or special proceedings in equity or at law as the Trustee being advised by counsel shall deem most effectual to protect and enforce such rights. Anything in the Trust Agreement to the contrary notwithstanding, the holders of a majority in principal amount of bonds then Outstanding shall have the right, subject to the obligation to indemnify the Trustee pursuant to the terms of the Trust Agreement, to direct the method and place of conducting all remedial proceedings, to the extent lawful and in the opinion of the Trustee not unjustly prejudicial to other bondholders not parties to such directions. No remedy is intended to be exclusive of any other remedy or remedies, and each and every remedy is cumulative and is in addition to every other remedy given under the Trust Agreement or existing at law.

No holder of any of the bonds, except as described above, shall have any right to institute any suit, action, mandamus or other proceedings in equity or at law for the enforcement of any right under the Trust Agreement or the laws of Florida, unless such holder previously shall have given to the Trustee written notice of the event of default or breach of trust or duty on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than ten percent (10%), or after none of the bonds issued prior to the Effective Date are Outstanding, the holders of not less than a majority, in principal amount of the Outstanding bonds shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to exercise its granted powers or to institute such action, suit or proceedings, and unless there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time.

So long as the provider of a Credit Facility has not defaulted in its obligations thereunder, such provider will be deemed the holder of all bonds secured by such Credit Facility for purposes of exercising the rights of the holders of bonds upon the occurrence of any event of default.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT

The following is a summary of certain provisions of the Airline Use Agreement and does not purport to be complete. Reference is made to the Airline Use Agreement, a copy of which is on file and available at the office of the Aviation Department, for a review of its complete terms. Terms not defined in this Summary or in this Official Statement shall have meanings set forth in the Airline Use Agreement.

The Airline Use Agreement ("AUA") sets forth the operating privileges and responsibilities at Miami International Airport ("MIA" or the "Airport") for an airline operating at MIA (a "Signatory Airline"). The AUA does not lease or convey any property interest to the Signatory Airline and is effective as to any successor governing authority of the Airport.

The term of the AUA is for fifteen years from its effective date, which is defined as being May 1, 2002. All AUAs, no matter when actually executed by the airline, bear the date of May 1, 2002. Each Signatory Airline agrees that its obligations to pay Landing Fees and charges, whether incurred for operations at MIA or any other airport within the County's Airport System, shall continue beyond any expiration of the agreement for so long as the Signatory Airline operates at MIA or such other airport. Conversely, if the Signatory Airline discontinues its operations at a County airport, the Signatory Airline has no further obligation to the airport at which it operated other than for payment of incurred charges.

The Signatory Airline agrees to whatever Landing Fee Rates and charges are established by the County from time to time, and agrees that (1) the Landing Fee Rate may be based on a residual method of calculating Landing Fees set forth in Exhibit G of the AUA and discussed below, and (2) Terminal Building fees may be based on the cost-based equalized rate setting methodology described in Exhibit H of the AUA. The County may modify such methodologies in order to comply with its requirements under the Trust Agreement or under federal law, or as a result of a Board-approved modification resulting from consultation with the Airlines at MIA and consented to by the Trustee.

Each Signatory Airline agrees that the Passenger Facility Charge revenue belongs to the Airport and not the airline and that it will (1) comply with all rules and regulations of the Airport, (2) indemnify and reimburse the County for any failure to so comply, (3) comply with all applicable noise abatement regulations, (4) obtain appropriate airline operating certificates and liability insurance, (5) comply with all security requirements and directives, (6) not discriminate in violation of applicable law, and (7) control its employees in the use of the Airport. The Signatory Airline acknowledges the primacy of the Trust Agreement.

Each Signatory Airline agrees that the Miami Airport Affairs Committee (the "MAAC") shall represent the interests of all airlines at MIA for voting on matters on which the AUA requires a decision and that any Majority-In-Interest ("MII") decision by the MAAC required by the AUA shall be binding on the Signatory Airline. MIIs consist of those airlines on the MAAC that are not less than 51% of existing MAAC members and that collectively with their non-signatory Affiliated Airlines represent more than 25% of total landed weight for which Landing Fees were paid during the previous Fiscal Year by all MAAC airlines and their non-signatory Affiliated Airlines. An "Affiliated Airline" is defined to be any airline of a designated relationship to the Signatory Airline that is shown on Exhibit F of the AUA as being an airline for which the Signatory Airline agrees to be financially responsible.

The Aviation Department may incur costs without MII approval to design and construct any capital project that (1) is a non-Port Authority Properties facility, (2) has net costs (*i.e.*, project costs less equity sources such as grants or PFC revenue) that do not exceed $15 million, (3) is financed by special facility revenue bonds not payable from airport funds, (4) is financed by a tenant and not subject to reimbursement, (5) is in connection with the reclassification to Port Authority Properties, (6) is required under the Trust Agreement as certified by the Consulting Engineers, (7) is required to comply with a rule,

regulation, order or requirement of any federal, state or governmental agency, (8) is necessary to comply with judicial orders, (9) is needed as a result of an emergency, (10) is needed to repair or replace casualty damage, (11) is a capital project previously approved by the MIIs, although if the scope materially changes and the revised construction estimate increases by more than 25% of the approved construction cost the MIIs may review the increment in construction costs; and (12) is part of the approved CIP listed in Exhibit A of the AUA, with MIIs, however, having the right to review any increase in estimates of project costs, if such costs at the program level are more than 25% of original estimated program costs.

MII review of all other projects is based on whether projected costs per enplaned passenger ("CEP") are above a stated level, as expressed in all cases in 1998 dollars.

(a) If the projected CEP does not exceed $30 (in 1998 dollars), then a project is deemed approved by the MIIs unless the Aviation Department receives written responses from the MIIs that they disapprove the project within 45 days of the request for approval. If disapproval occurs, the Aviation Department must defer the project for 180 days and then re-submit the project to the MIIs for the same review process. Each such re-submitted project shall be deemed to be approved unless the Aviation Department receives written responses from the MIIs that they disapprove the project within 45 days of the re-submission. After 180 days following resubmission, the Aviation Department may proceed with any such project that was disapproved by the MIIs on re-submission.

(b) If the projected CEP exceeds $30 (in 1998 dollars) but does not exceed $35 (in 1998 dollars), then the project is not deemed approved unless the MIIs signify their approval in writing. If non-approval occurs, the Aviation Department must defer the project for 180 days and then re-submit the project to the MIIs for the same review process within 45 days of the request for approval. No re-submitted project shall be deemed approved by the MIIs unless the MIIs provide written approval thereof within 45 days of resubmission. If construction of such project is not approved by the MIIs, the Aviation Department may still construct the project upon approval thereof by the Board of County Commissioners.

(c) If the CEP exceeds $35 (in 1998 dollars) in six (6) or more years of the 10-year projection period, a construction moratorium occurs during the next Fiscal Year except for those twelve categories of projects listed above. However, the Aviation Department may present capital projects during such time period, and if it obtains MII approval then the Aviation Department may construct the project.

The AUA permits each Signatory Airline to participate in the Aviation User Credit Program ("AUCP"). The Aviation Department is entitled to collect all fees applicable thereto in cash each time an airline uses the Airport. To avoid the administrative inconvenience to the Aviation Department and the airline of collecting such cash payments at the time of use, the Aviation Department permits the Signatory Airline to participate in the AUCP under which the airline self-reports and self-pays the designated Aviation Activity fees by the 10th day of the month following the month in which the fees were incurred.

The AUA provides that an airline operating at MIA may be obligated to pay 100%, 105% or 150% of the Landing Fee Rate and certain aviation use fees (collectively, the "Aviation Activities" fees). An airline that both signs the AUA and participates in the AUCP pays only 100% of the established Aviation Activities fees. An airline that does not sign the AUA but participates in the AUCP pays 105% of such fees, and an airline that fails to participate in the AUCP must pay 150% of such fees, even if the airline signs the AUA.

The Aviation Department calculates the Landing Fee Rate to be effective as of October 1 of each year based upon the annual budget for the Port Authority Properties and estimates of Total Landed Weight. The Landing Fee Rate may be adjusted semi-annually effective April 1. If the County is

required because of emergency conditions to adjust the Landing Fee Rate effective at a time other than October 1 or April 1, the Aviation Department after proper notification of the MIA air carriers, may adjust the Landing Fee Rate. Promptly upon the cessation of the emergency conditions requiring any such adjustment, the Aviation Department will notify the air carriers to the adjustment that can be made because of the cessation of such conditions and the effective date upon which the adjustment will take effect.

For the use of the airfield at the Airport, each airline shall pay the County monthly Landing Fees determined by multiplying its Total Landed Weight during the month by the then-current Landing Fee Rate. Landing Fees are calculated by determining the difference between anticipated Revenue Credits from sources other than Landing Fees and total Revenue Requirements for the forthcoming year. The Revenue Requirements for the period of the fee calculation is estimated on a cash basis by totaling the following amounts:

(i) Estimated Principal and Interest Requirements on Bonds issued under the Trust Agreement then outstanding and on Bonds to be issued during the period of the fee calculation;

(ii) A coverage margin calculated as 20% of the estimated Principal and Interest Requirements;

(iii) Estimated Current Expenses;

(iv) Estimated change in the operating reserve for Current Expenses, which reserve is calculated as a percentage (not to exceed 20%) of estimated Current Expenses;

(v) Estimated deposit, if any, from Revenues to the Bond Reserve Account required to meet the reserve requirement;

(vi) Deposit to the Reserve Maintenance Fund in the amount recommended by the Consulting Engineers;

(vii) Estimated debt service payable from Revenues on commercial paper then outstanding and on commercial paper to be issued during the period of the fee calculation, including amounts necessary to make hedge or termination payments;

(viii) Estimated debt service and revenue covenant requirements payable from Revenues on other indebtedness (including, for example, subordinate debt, Passenger Facility Charge debt, or general obligation bonds) then outstanding and on other indebtedness to be issued during the period of the fee calculation;

(ix) Estimated deposits to funds and accounts payable from Revenues that may be required in connection with commercial paper or other indebtedness; and

(x) Costs of Prior Aviation Development Facilities ("Prior ADF"), if any, that may be payable from Revenues pursuant to a merger of the Port Authority Properties and Prior ADF, net of Prior ADF revenues related to such costs.

The total Revenue Credits for the period of the Landing Fee calculation is estimated on a cash basis by totaling the following amounts:

(i) Revenues to be received during the period of the fee calculation from all sources, including the transfer from the Improvement Fund and Revenues from the Non-Signatory Differential, but exclusive of Revenues from (a) Landing Fees, (b) interest earnings on moneys in the Reserve Maintenance Fund, and (c) interest earnings on moneys in the Improvement Fund; and

(ii) Revenues to be received from Landing Fees for aircraft landings conducted prior to the effective date of the revised Landing Fee Rate (which, for example, includes Revenues received in October for landings conducted in September when computing the October 1 Landing Fee Rate).

The resulting differential between Revenue Requirements and Revenue Credits is then divided by estimated Total Landed Weight for the period to determine the Landing Fee Rate per 1,000 pounds of aircraft weight. (When computing the October 1 Landing Fee Rate, Total Landed Weight covers the 11-month period October through August.)

In the AUA, the Signatory Airline acknowledges that the County (1) may deduct from the moneys remaining in the Improvement Fund at the end of each Fiscal Year the sum of $5 million to be deposited into the Retainage Sub-account up to a cumulative maximum balance of $15 million, to be used by the Airport for any lawful airport purpose, (both of these dollar amounts are subject to an annual percentage adjustment, up or down, as defined in the AUA) and (2) may deposit to the Performance Sub-account 50% of the revenue amounts that exceed the break-even costs of the Cargo and Commercial Aviation Support Facilities. No maximum cumulative amount applies to the amounts in this sub-account.

APPENDIX E

PROPOSED FORM OF BOND COUNSEL OPINION

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PROPOSED FORM OF BOND COUNSEL OPINION

On the date of issuance of the Series 2009 Bonds in definitive form, Greenberg Traurig, P.A., and Edwards & Associates, P.A., Bond Counsel, propose to render their opinion in substantially the following form:

_____, 2009

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

Re: $_____ Aviation Revenue Bonds, Series 2009A (AMT);
$_____ Aviation Revenue Bonds Series 2009B (NON-AMT);

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by Miami-Dade County, Florida (the "County") of the above captioned bonds (collectively, the "Series 2009 Bonds") dated of even date herewith. The Series 2009 Bonds are being issued pursuant to the authority of the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, as amended, The Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, the Code of Miami-Dade County, as amended (collectively, the "Act"), the Amended and Restated Trust Agreement dated as of December 15, 2002 (the "Trust Agreement") by and among the County, JP Morgan Chase Bank (now known as JPMorgan Chase Bank, N.A.), New York, New York, as trustee, and U.S. Bank National Association (successor in interest to Wachovia Bank, National Association), as co-trustee, as co-trustee, Ordinance No. 95-38 duly enacted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on February 21, 1995 (the "1995 Ordinance"), Ordinance No. 96-31 enacted by the Board on February 6, 1996 (the "1996 Ordinance"), Ordinance No. 97-207 enacted by the Board on November 4, 1997 (the "1997 Ordinance") and Ordinance No. 08-121 (the "2008 Ordinance" and collectively with the 1995 Ordinance, the 1996 Ordinance and the 1997 Ordinance, the "Ordinance") and Resolution No. R-___-09 adopted by the Board on _____, 2009 (the "Series 2009 Resolution," and collectively with the Ordinance, the "Bond Ordinance").

In rendering this opinion we have examined the transcript of the proceedings (the "Transcript") relating to the issuance of the Series 2009 Bonds which include the Trust Agreement, the Bond Ordinance and certain other documentation, an executed or facsimile of each of the Series 2009 Bonds and such other documents as we have deemed necessary to render this opinion.

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 2009 Bonds.

2. All conditions precedent in the Trust Agreement to the delivery of the Series 2009 Bonds have been duly fulfilled and the Bond Ordinance has been duly enacted or adopted by the Board and constitutes a valid and legally binding obligation of the County enforceable in accordance with its terms.

3. The issuance and sale of the Series 2009 Bonds have been duly authorized by the Board and the Series 2009 Bonds constitute valid and legally binding limited obligations of the County, payable solely from the Net Revenues (as defined in the Trust Agreement) in the manner and to the extent specified in the Trust Agreement and the Bond Ordinance.

4. Except as expressly provided for in the Bond Ordinance, the issuance of the Series 2009 Bonds shall not directly or indirectly or contingently obligate the State of Florida, the County or any agency or political subdivision thereof to levy or to pledge any form of taxation whatsoever nor shall the Series 2009 Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any property of the County other than the Net Revenues (in the manner and to the extent specified in the Trust Agreement and the Bond Ordinance), and the owners of the Series 2009 Bonds shall have no recourse to the taxing power of the County, the State of Florida or any agency or political subdivision thereof.

5. Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated below: (i) interest on the Series 2009 Bonds is excludable from gross income for federal income tax purposes, except interest on a Series 2009A Bond for any period during which that Bond is held by a "substantial user" of the facilities financed by the Series 2009A Bonds, or a "related person" as those terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) interest on the Series 2009A Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (iii) interest on the Series 2009B Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, interest on the Series 2009B Bonds is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

In rendering the opinion in this paragraph 5 above, we have assumed continuing compliance by the County with the requirements of the Code that must be met after the issuance of the Series 2009 Bonds in order that interest on the Series 2009 Bonds be, and continue to be, excludable from gross income for federal income tax purposes. The County has covenanted in the Bond Ordinance to comply with the requirements of the Code in order to maintain the excludability of interest on the Series 2009 Bonds from gross income for federal income tax purposes. The failure by the County to meet certain of such requirements may cause interest on the Series 2009 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2009 Bonds.

6. The Series 2009 Bonds and the income thereon are not subject to taxation under the laws of the State, 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.

Except as stated in paragraphs number 5 and 6 above, we express no opinion as to any other tax consequences regarding the Series 2009 Bonds.

This opinion is qualified to the extent that the enforceability of the Series 2009 Bonds, the Bond Ordinance and the Trust Agreement, respectively, may be limited by general principles of equity which

may permit the exercise of judicial discretion, and by bankruptcy, insolvency, moratorium, reorganization or similar laws relating to the enforcement of creditors' rights generally, now or hereafter in effect.

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 have not been engaged nor have we undertaken to review or verify and therefore express no opinion as to the accuracy, adequacy, fairness or completeness of any official statement or other offering materials relating to the Series 2009 Bonds, except as may be otherwise set forth in our supplemental opinion delivered to the initial purchaser of the Series 2009 Bonds. In addition, other than as expressly set forth herein, we have not passed upon and therefore express no opinion as to the compliance by the County or any other party involved in this financing, or the necessity of such parties complying, with any federal or state registration requirements or security statutes, regulations or rulings with respect to the offer and sale of the Series 2009 Bonds.

We express no opinion with respect to any other document or agreement entered into by the County or by any other person in connection with the Series 2009 Bonds, other than as expressed herein.

Our opinions expressed herein are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

APPENDIX F

PROPOSED FORM OF DISCLOSURE COUNSEL OPINION

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On the date of issuance of the Series 2009 Bonds in definitive form, Edwards Angell Palmer & Dodge LLP, and Rasco, Reininger, Perez, Esquenazi & Vigil, PL, Disclosure Counsel, propose to render their approving opinion in substantially the following form:

_____, 2009

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

$_____	$_____
Miami-Dade County, Florida	Miami-Dade County, Florida
Aviation Revenue Bonds	Aviation Revenue Bonds
Series 2009A	Series 2009B
(AMT)	(NON-AMT)

Ladies and Gentlemen:

We have served as Disclosure Counsel to Miami-Dade County, Florida (the "County") in connection with the issuance by the County of its $_____ Aviation Revenue Bonds, Series 2009A (AMT), $_____ Aviation Revenue Bonds, Series 2009B (NON-AMT), (collectively, the "Series 2009 Bonds").

In connection with the issuance and delivery of this opinion, we have considered such matters of law and fact and have relied upon such certificates and other information furnished to us as we deemed appropriate. We are not expressing any opinion or views herein on the authorization, issuance, delivery or validity of the Series 2009 Bonds and we have assumed, but not independently verified, that the signatures on all documents and certificates that we have examined are genuine.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions related to the authorization, issuance and sale of the Series 2009 Bonds are lawful and valid under the laws of the State of Florida, or that the Bonds are valid and binding obligations of the County enforceable in accordance with their respective terms, or that the interest on the Bonds is excluded from gross income of the owners of the Bonds for federal income tax purposes, we understand that you are relying upon the opinions delivered on the date hereof of Greenberg Traurig P.A., and Edwards & Associates, P.A., Bond Counsel, and no opinion is expressed herein as to such matters.

The scope of our engagement with respect to the issuance of the Series 2009 Bonds was not to establish factual matters and because of the wholly or partially non-legal character of many of the determinations involved in the preparation of the Official Statement, dated _____, 2009 (the "Official Statement"), we are not passing on and do not assume any responsibility for, except as set forth in the next paragraph, the accuracy or completeness of the contents of the Official Statement (including, without limitation, any appendices, schedules, and exhibits thereto) and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. As your counsel, we have participated in the preparation of the Official Statement and in discussions and conferences with representatives of the County from the Finance Department, the Aviation Department and the County Attorney's Office, Jacobs Consulting Inc. and MET Corporation, Traffic Engineers, First Southwest Company and Frasca & Associates, L.L.C., Financial Advisors to the County, Greenberg, Traurig, P.A. and Edwards & Associates, P.A., Co-Bond Counsel, representatives of Barclays Capital Inc., serving as the representative on behalf of certain underwriters (the "Underwriters") named in the Bond Purchase Agreement dated _____, 2009, between the Underwriters and the County, and GrayRobinson, P.A., counsel to the Underwriters, in which the contents of the Official Statement and related matters were discussed.

Based solely on the basis of our participation in the preparation of the Official Statement, our examination of certificates, documents, instruments and records and the above-mentioned discussions, nothing has come to our attention which would lead us to believe that the Official Statement (except for the financial and statistical data in the Official Statement, including, without limitation, the appendices thereto, and the matters set forth therein under the captions "THE SERIES 2009 BONDS – Book-Entry-Only System," ["MUNICIPAL BOND INSURANCE,"] and in APPENDICES A, B, C, D, E, [G, and H] as to which no opinion is expressed) is not a fair and accurate summary of the matters purported to be summarized therein or that the Official Statement (except as set forth above) contained as of its date or as of the date hereof, any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. We are also of the opinion that the continuing disclosure undertaking set forth in the Series 2009 Resolution and in the Omnibus Certificate of the County delivered at the closing satisfy the requirements set forth in Rule 15c2-12(b)(5)(i) of the Securities Exchange Act of 1934, as amended.

In reaching the conclusions expressed herein, we have with your concurrence, assumed and relied on the genuineness and authenticity of all signatures not witnessed by us; the authenticity of all documents, records, instruments, items and letters submitted to us as originals; the conformity with originals of all items submitted to us as certified or photostatic copies and examined by us; the legal capacity and authority of the persons who executed the documents; the accuracy of all warranties, representations and statements of fact contained in the documents and instruments submitted to us in connection with the purchase and sale of the Series 2009 Bonds; that neither you nor the Underwriters have any actual knowledge or any reason to believe that any portion of the Official Statement is not accurate; and the continuing accuracy on this date of any certificates supplied to us regarding the matters addressed herein, which assumptions we have not verified. As to questions of fact material to our opinions, we have relied upon and assumed the correctness of the public records and certificates by and representations of public officials and other officers and representatives of various parties to this transaction. We have no actual knowledge of any factual information that would lead us to form a legal opinion that the public records or the certificates which we have relied upon contain any untrue statement of a material fact.

We are further of the opinion that, assuming the Bonds are the legal, valid and binding obligations of the County, the Series 2009 Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

The opinions set forth herein are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the United States of America. The only opinions rendered hereby shall be those expressly stated herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

This opinion may be relied upon solely by the County and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent.

Respectfully submitted,

APPENDIX G

SPECIMEN OF _____ INSURANCE POLICY

[INSERT POLICY – PG 1 - HERE]

[INSERT POLICY – PG 2 - HERE]

APPENDIX H

SPECIMEN OF _____ INSURANCE POLICY

[INSERT POLICY – PG 1 - HERE]

[INSERT POLICY – PG 2 - HERE]

[INSERT POLICY – PG 3 - HERE]