Memorandum

MIAMI-DADE COUNTY

Date: June 3, 2010

Agenda Item No. 5(B)

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

From: George M. Burgess
County Manager

Subject: Resolution Authorizing the Sale of $600 Million of Aviation Revenue Bonds, Series 2010B.

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) adopt the accompanying Resolution (Series 2010B Resolution) authorizing the sale of up to $600,000,000 in Aviation Revenue Bonds (Series 2010B Bonds). The bonds will be issued in one or more tranches (series of smaller issues) in accordance Sections 210 and 211 of the Trust Agreement and other authorizations detailed below. The bonds will be issued for the following purposes: (i) to refinance all outstanding Aviation Commercial Paper Notes, Series B that were issued to fund all or a portion of the cost to design and construct projects included in the Aviation Department's Capital Improvement Program (CIP). A list of projects (Series 2010 Projects) included in the multi-year CIP previously approved by the Board is included in Exhibit A of the attached Resolution; (ii) to finance or reimburse the County for all or a portion of the cost of the CIP; (iii) to fund a deposit into the Reserve Account with respect to the Series 2010B Bonds; (iv) pay certain bond issuance costs; and (v) pay capitalized interest on the bonds for approximately 18 months.

The Series 2010B Resolution also authorizes the County to issue Build America Bonds (BABs) as part of the bond sale if it is economically feasible to do so.

SCOPE

These bonds provide funding for all or a portion of the capital improvements to Port Authority Properties (Exhibit A of the attached Resolution) and will have countywide impact. Port Authority Properties include all properties owned and operated by the County through the Aviation Department and include Miami International, Opa-Locka, Opa-Locka West, Kendall-Tamiami Executive, Homestead General Aviation, and the Dade-Collier Training and Transition airports.

FISCAL IMPACT/FUNDING SOURCE

The principal and interest payable on the Series 2010B Bonds will be made from the aviation revenues. Based on market conditions as of April 15, 2010, the true interest cost (TIC) is estimated to be 5.44% with an amortization of 31.2 years. The initial debt service on these bonds payable through October 1, 2011 would be covered by capitalized interest totaling $36.73 million. Thereafter, annual debt service increases from $31.71 million to a maximum of $46.26 million through October 1, 2016. Following this period, annual debt service steadily decreases each fiscal year until final maturity on October 1, 2041 as shown in Schedule A attached. As a result of the Board and Committee approval processes and in an effort to provide more current data prior to Board approval, an updated debt service schedule will be provided to the Board for consideration prior to final approval.

The delegated parameter sought in the Series 2010B Resolution is for a TIC of 6.5%. This will allow flexibility during the bond sale should there be unexpected market volatility. For purposes of comparison to the debt service schedule based on the April 15, 2010 market estimates, Schedule B details the debt service schedule based on a TIC of 6.5%. As required by Resolution No. R-1313-09, Schedule C shows the combined projected debt service on all Outstanding Aviation Bonds including that for the Series 2010B Bonds using a TIC of 6.5%. Schedule D shows the extent to which the County meets the debt service coverage (Additional Bonds Test) under the Trust Agreement. As indicated on page 2 of Schedule D, the debt service coverage on the combined debt including the proposed Series 2010B Bonds over the five-year forecast exceeds the required 1.20 times coverage stipulated in the Trust Agreement.

The Series 2010B Resolution authorizes the issuance of BABs if economically feasible. BABs are taxable bonds for which the federal government offers a 35% interest rate subsidy. In order to provide an economic benefit to the County, the debt service for BABs must be less than the debt service for fully tax-exempt bonds. Under current market conditions, BABs are not anticipated to be economically attractive. However, if market conditions change significantly enough to make BABs economically attractive, the Resolution authorizes sale of BABs at interest rates not to exceed 8.85%.

The Board is reminded that these are preliminary estimates and are subject to change based on market conditions at the time of pricing. As required by Resolution No. R-1373-0, a final pricing report will be submitted to the Board after the bonds have been sold.

BACKGROUND

The CIP is presently budgeted at $6.447 billion and includes approximately of $2.9 billion for the North Terminal expansion. Currently, $6.2 billion in aviation revenue bonds have been authorized by Ordinance Nos. 95-38, 96-31, 97-207 and 08-121 (collectively, the Authorizations). To date approximately $5.342 billion in aviation revenue bonds have actually been issued against those Authorizations. Aside from any completion bonds that may be needed in the future, the Series 2010B Bonds are intended to be the final series of bonds sold under the Authorizations.

A portion of the proceeds of the Series 2010B Bonds will be used to refund the outstanding amounts on the Aviation Department's Commercial Paper Program (CP Program) which is set to expire in August 2010. In 1994, the Aviation Department began utilizing the cash flow method of financing CIP projects which allowed the Department to issue bonds only when needed. This replaced the traditional project financing methodology and reduced the probability that the County would pay long term interest rates on bond proceeds that were not being used immediately due to delays or changes in the CIP schedule. Cash flow financing also reduces arbitrage and the probability of violating the 1986 Arbitrage Rebate Act. In order to access capital funds on an as-needed basis and at lower short term borrowing rates, the Department, instituted a CP Program in FY 2000 which was reauthorized by the Board in 2005 per Resolution R-235-05. Under the CP program the Board authorized $400 million in Commercial Paper Notes supported by a Letter of Credit and Reimbursement Agreement between the County, BNP Paribas and Dexia Credit Local (Dexia). Each bank provides liquidity up to $204 million (principal and interest).

As part of the federal government's economic stimulus package, BABs were authorized through the American Recovery and Reinvestment Act (ARRA). Under BABs, state and local governments may issue taxable bonds with a 35 percent federal interest rate subsidy. The issuer may elect to receive the federal subsidy in the form of tax credits to bondholders or as direct payments to the issuer. The

purpose of the ARRA initiative is to expand the market for government bonds to taxable investors, while also lowering interest costs. While interim IRS rules have been released, the final rules for BABs are still being developed. Current IRS guidelines require that a bond issue must qualify as tax-exempt bonds in order to use BABs, and that the issuer must make an irrevocable election to issue the bonds as BABs. In addition, the County must comply with certain IRS Code requirements in order to continue to receive the direct payments from the federal government.

The County's ability to ensure compliance with the IRS rules is an important factor in determining whether to issue BABs because failure to comply with the IRS rules may result in the loss of all or some of the federal subsidy. Additionally, any jurisdiction that issues BABs and for any reason also owes the federal government, the federal government reserves the right to deduct such payments from the BABs subsidy. Moreover, a change in federal law may adversely impact the subsidy amount that the County receives in the future.

The Series 2010 Resolution allows the County the flexibility to issue BABs with direct payments to the County. If the amount that the County would pay for interest on the BABs after the federal subsidy is less than the equivalent interest due on tax exempt bonds, all or some of the Series 2010 Bonds may be issued as BABs. The Finance Director, upon receipt of the confirmation of economic benefit, shall make the decision to issue BABs as a separate series of bonds on or prior to the pricing of the Series 2010B Bonds.

Also included in the ARRA legislation is a special tax provision which allows financing for projects that would normally be subject the Alternative Minimum Tax (AMT) to be financed through Non-AMT Bonds provided the financing is completed before December 31, 2010. Approval of the Series 2010B Resolution will allow the County to take advantage of this tax provision and reduce the interest costs on the projects.

In addition to authorizing the bond issue for the CIP Projects, the Series 2010B Resolution authorizes the County Mayor or the County Mayor's designee to:

- Issue the Series 2010B Bonds as fixed rate serial bonds, term bonds or a combination of each 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), designate and irrevocably elect which of the Series 2010B Bonds of such tranche, if any, shall be issued as Build America Bonds (Direct Payment), and to determine the designation of each tranche, if applicable;
- Determine amounts, dates, maturities, sinking fund installments, redemption provisions, series amounts, and certain other details relating to such Series 2010B Bonds after consultation with the County's Financial Advisors;
- Negotiate and obtain bond insurance, if the Finance Director can demonstrate that there is an economic benefit to 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 Reserve Facility 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 2010B Bonds, if it will provide an economic benefit to the County, after consultation with the Financial Advisors, the Aviation Director, the Office of the County Attorney and Bond Counsel;

- Execute and deliver any agreements that may be required by the bond insurer providing such bond insurance or Reserve Facility;
- Award the Series 2010B Bonds to J.P. Morgan, as senior manager representing all Underwriters named in the Bond Purchase Agreement, provided that the true interest cost of the Series 2010B Bonds does not exceed 6.5% for any series of tax-exempt bonds and does not exceed 8.85% for any series of BABs, prior to the federal subsidy);
- Select and appoint a Registrar and Paying Agent for the Series 2010B Bonds, after a competitive process;
- 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 2010B Resolution; and
- Authorize the use of the Preliminary Official Statement substantially in the form attached as Exhibit D to this Series 2010B Resolution and permit the distribution of the final Official Statement.

The Series 2010B Resolution further provides for:

- The use of Book-Entry Only System form of registration for the Series 2010B 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 2010B Bonds and the closing of this transaction.

The proceeds from the Series 2010B Bonds (reflecting Schedule B: Debt Service at Maximum TIC) are anticipated to be used as follows:

Deposit to Construction Fund • Refund of all or a portion of outstanding CP Notes, • Repay any internally borrowed Aviation funds used to fund project costs and reserve requirement, • Issuance of additional proceeds for projects included in the CIP	$522,400,000
Capitalized Interest (see below)	44,800,000
Deposit to Reserve Account (if no Surety)	26,400,000
Other Costs of Issuance (see below)	6,400,000
	$600,000,000

Capitalized interest is estimated for a period of 18 months while revenue producing projects come on stream. Estimated "Other Costs of Issuance" represent $3.3 million for Underwriters' Discount/Commission and $3.1 million in issuance costs including expenses such as professional fees for bond counsel, disclosure counsel, trustee counsel, rating agencies fees, etc. Any funds remaining after payment of these costs would be deposited into the Construction Fund.

The bonds are expected to be issued in August 2010. A public hearing is schedule for the date of final Board approval of the Series 2010B Resolution in order to comply with the provisions of Section

147(f) of the Internal Revenue Code. The public hearing will be held in accordance with the form of the public notice that is on file with the Clerk as Exhibit B and published in the *Miami Herald*. This hearing, once concluded, will satisfy the requirements needed for technical compliance with Internal Revenue Service (IRS) regulations.

Resolution R-130-06 requires that any County contract with a third party be finalized and executed prior to its placement on the Committee agenda. The sale of the Series 2010B Bonds, which will set their final terms, will not occur until after the effective date of this Series 2010B Resolution. Therefore, a waiver of Resolution R-130-06 is necessary and is also being requested.

Attachments:

Schedule A - Debt Service as of April 15, 2010
Schedule B - Debt Service Based at Maximum TIC
Schedule C - Aggregate Aviation Bonds Net Debt Service
Schedule D - Additional Bonds Test under Trust Agreement
Series 2010B Resolution including;
- Exhibit A– Project List
- 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– Preliminary Official Statement

Assistant County Manager

April 15, 2010 Scale (Preliminary Numbers)

Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Aug 2010 (April 15, 2010 Scale)

Sources & Uses

Dated 08/04/2010 | Delivered 08/04/2010

SOURCES OF FUNDS	
Par Amount of Bonds	$600,000,000.00
Reoffering Premium	2,708,016.60
TOTAL SOURCES	**$602,708,016.60**

USES OF FUNDS	
Original Issue Discount (OID)	4,783,248.80
Total Underwriter's Discount (0.550%)	3,300,000.00
Costs of Issuance	3,000,000.00
Deposit to Debt Service Reserve Fund (DSRF)	23,131,031.25
Deposit to Capitalized Interest (CIF) Fund	36,733,139.06
Deposit to Project Construction Fund	531,760,597.49
Rounding Amount	-
TOTAL USES	**$602,708,016.60**

Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Aug 2010 (April 15, 2010 Scale)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Existing D/S	Net New D/S
10/01/2010	-	-	5,021,076.56	5,021,076.56	-	(5,021,076.56)		-
10/01/2011	-	-	31,712,062.50	31,712,062.50	-	(31,712,062.50)		-
10/01/2012	-	-	31,712,062.50	31,712,062.50	-	-		31,712,062.50
10/01/2013	1,000,000.00	3.000%	31,712,062.50	32,712,062.50	-	-		32,712,062.50
10/01/2014	3,000,000.00	3.000%	31,682,062.50	34,682,062.50	-	-		34,682,062.50
10/01/2015	5,000,000.00	3.000%	31,592,062.50	36,592,062.50	-	-		36,592,062.50
10/01/2016	6,000,000.00	3.000%	31,442,062.50	37,442,062.50	-	-		37,442,062.50
10/01/2017	15,000,000.00	5.000%	31,262,062.50	46,262,062.50	-	-		46,262,062.50
10/01/2018	14,100,000.00	5.000%	30,512,062.50	44,612,062.50	-	-		44,612,062.50
10/01/2019	13,640,000.00	5.000%	29,807,062.50	43,447,062.50	-	-		43,447,062.50
10/01/2020	14,295,000.00	5.000%	29,125,062.50	43,420,062.50	-	-		43,420,062.50
10/01/2021	14,995,000.00	5.000%	28,410,312.50	43,405,312.50	-	-		43,405,312.50
10/01/2022	15,725,000.00	5.000%	27,660,562.50	43,385,562.50	-	-		43,385,562.50
10/01/2023	16,490,000.00	5.000%	26,874,312.50	43,364,312.50	-	-		43,364,312.50
10/01/2024	17,235,000.00	5.000%	26,049,812.50	43,284,812.50	-	-		43,284,812.50
10/01/2025	18,040,000.00	5.250%	25,188,062.50	43,228,062.50	-	-		43,228,062.50
10/01/2026	18,915,000.00	5.250%	24,240,962.50	43,155,962.50	-	-		43,155,962.50
10/01/2027	19,840,000.00	5.250%	23,247,925.00	43,087,925.00	-	-		43,087,925.00
10/01/2028	20,820,000.00	5.250%	22,206,325.00	43,026,325.00	-	-		43,026,325.00
10/01/2029	21,765,000.00	5.250%	21,113,275.00	42,878,275.00	-	-		42,878,275.00
10/01/2030	22,835,000.00	5.250%	19,970,612.50	42,805,612.50	-	-		42,805,612.50
10/01/2031	23,960,000.00	5.500%	18,771,775.00	42,731,775.00	-	-		42,731,775.00
10/01/2032	25,190,000.00	5.500%	17,453,975.00	42,643,975.00	-	-		42,643,975.00
10/01/2033	26,495,000.00	5.500%	16,068,525.00	42,563,525.00	-	-		42,563,525.00
10/01/2034	27,855,000.00	5.500%	14,611,300.00	42,466,300.00	-	-		42,466,300.00
10/01/2035	29,240,000.00	5.500%	13,079,275.00	42,319,275.00	-	-		42,319,275.00
10/01/2036	30,695,000.00	5.500%	11,471,075.00	42,166,075.00	-	-		42,166,075.00
10/01/2037	32,220,000.00	5.500%	9,782,850.00	42,002,850.00	-	-		42,002,850.00
10/01/2038	33,820,000.00	5.500%	8,010,750.00	41,830,750.00	-	-		41,830,750.00
10/01/2039	35,475,000.00	5.500%	6,150,650.00	41,625,650.00	-	-		41,625,650.00
10/01/2040	37,245,000.00	5.500%	4,199,525.00	41,444,525.00	-	-		41,444,525.00
10/01/2041	39,110,000.00	5.500%	2,151,050.00	41,261,050.00	(23,131,031.25)	-		41,261,050.00
Total	**$600,000,000.00**	**-**	**$682,292,614.06**	**$1,282,292,614.06**	**(23,131,031.25)**	**(36,733,139.06)**	**-**	1,245,559,475.00

File | MDAD Pricing | Series 2010B April 15, 20 | 4/16/2010 | 9:49 AM

April 15, 2010 Scale (Preliminary Numbers)

Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Aug 2010 (April 15, 2010 Scale)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		Dollar Price
10/01/2013	Serial Coupon	3.000%	2.300%	1,000,000.00	102.118%		1,021,180.00
10/01/2014	Serial Coupon	3.000%	2.760%	3,000,000.00	100.934%		3,028,020.00
10/01/2015	Serial Coupon	3.000%	3.210%	5,000,000.00	99.006%		4,950,300.00
10/01/2016	Serial Coupon	3.000%	3.690%	6,000,000.00	96.226%		5,773,560.00
10/01/2017	Serial Coupon	5.000%	4.030%	15,000,000.00	105.974%		15,896,100.00
10/01/2018	Serial Coupon	5.000%	4.280%	14,100,000.00	104.908%		14,792,028.00
10/01/2019	Serial Coupon	5.000%	4.500%	13,640,000.00	103.713%		14,146,453.20
10/01/2020	Serial Coupon	5.000%	4.640%	14,295,000.00	102.883%		14,707,124.85
10/01/2021	Serial Coupon	5.000%	4.750%	14,995,000.00	100.272%	c	15,035,786.40
10/01/2022	Serial Coupon	5.000%	4.840%	15,725,000.00	100.171%	c	15,751,889.75
10/01/2023	Serial Coupon	5.000%	4.900%	16,490,000.00	100.104%	c	16,507,149.60
10/01/2024	Serial Coupon	5.000%	4.980%	17,235,000.00	100.015%	c	17,237,585.25
10/01/2025	Serial Coupon	5.250%	5.050%	18,040,000.00	100.215%	c	18,078,786.00
10/01/2026	Serial Coupon	5.250%	5.120%	18,915,000.00	100.137%	c	18,940,913.55
10/01/2029	Term 1 Coupon	5.250%	5.330%	62,425,000.00	99.039%		61,825,095.75
10/01/2030	Term 2 Coupon	5.250%	5.350%	22,835,000.00	98.768%		22,553,672.80
10/01/2035	Term 3 Coupon	5.500%	5.530%	132,740,000.00	99.586%		132,190,456.40
10/01/2041	Term 4 Coupon	5.500%	5.600%	208,565,000.00	98.525%		205,488,666.25
Total	-	-	-	**$600,000,000.00**	-	-	**$597,924,767.80**

Bid Information

Par Amount of Bonds	$600,000,000.00
Reoffering Premium or (Discount)	(2,075,232.20)
Gross Production	$597,924,767.80
Total Underwriter's Discount (0.550%)	$(3,300,000.00)
Bid (99.104%)	594,624,767.80
Total Purchase Price	$594,624,767.80
Bond Year Dollars	$12,659,080.00
Average Life	21.098 Years
Average Coupon	5.3897488%
Net Interest Cost (NIC)	5.4322103%
True Interest Cost (TIC)	5.4362782%

Preliminary numbers; subject to change.

Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Base Case: 6.50% TIC

Sources & Uses

Dated 08/04/2010 | Delivered 08/04/2010

SOURCES OF FUNDS	
Par Amount of Bonds	$600,000,000.00
TOTAL SOURCES	**$600,000,000.00**

USES OF FUNDS	
Original Issue Discount (OID)	141,727.40
Total Underwriter's Discount (0.550%)	3,300,000.00
Costs of Issuance	3,000,000.00
Deposit to Debt Service Reserve Fund (DSRF)	26,366,250.00
Deposit to Capitalized Interest (CIF) Fund	44,827,500.00
Deposit to Project Construction Fund	522,364,522.60
Rounding Amount	-
TOTAL USES	**$600,000,000.00**

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Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Base Case: 6.50% TIC

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S
10/01/2010	-	-	6,127,500.00	6,127,500.00	(6,127,500.00)	-
10/01/2011	-	-	38,700,000.00	38,700,000.00	(38,700,000.00)	-
10/01/2012	-	-	38,700,000.00	38,700,000.00	-	38,700,000.00
10/01/2013	1,000,000.00	6.450%	38,700,000.00	39,700,000.00	-	39,700,000.00
10/01/2014	3,000,000.00	6.450%	38,635,500.00	41,635,500.00	-	41,635,500.00
10/01/2015	5,000,000.00	6.450%	38,442,000.00	43,442,000.00	-	43,442,000.00
10/01/2016	6,000,000.00	6.450%	38,119,500.00	44,119,500.00	-	44,119,500.00
10/01/2017	15,000,000.00	6.450%	37,732,500.00	52,732,500.00	-	52,732,500.00
10/01/2018	12,115,000.00	6.450%	36,765,000.00	48,880,000.00	-	48,880,000.00
10/01/2019	11,730,000.00	6.450%	35,983,582.50	47,713,582.50	-	47,713,582.50
10/01/2020	12,460,000.00	6.450%	35,226,997.50	47,686,997.50	-	47,686,997.50
10/01/2021	13,250,000.00	6.450%	34,423,327.50	47,673,327.50	-	47,673,327.50
10/01/2022	14,085,000.00	6.450%	33,568,702.50	47,653,702.50	-	47,653,702.50
10/01/2023	14,975,000.00	6.450%	32,660,220.00	47,635,220.00	-	47,635,220.00
10/01/2024	15,860,000.00	6.450%	31,694,332.50	47,554,332.50	-	47,554,332.50
10/01/2025	16,830,000.00	6.450%	30,671,362.50	47,501,362.50	-	47,501,362.50
10/01/2026	17,840,000.00	6.450%	29,585,827.50	47,425,827.50	-	47,425,827.50
10/01/2027	18,920,000.00	6.450%	28,435,147.50	47,355,147.50	-	47,355,147.50
10/01/2028	20,080,000.00	6.450%	27,214,807.50	47,294,807.50	-	47,294,807.50
10/01/2029	21,230,000.00	6.450%	25,919,647.50	47,149,647.50	-	47,149,647.50
10/01/2030	22,520,000.00	6.450%	24,550,312.50	47,070,312.50	-	47,070,312.50
10/01/2031	23,900,000.00	6.450%	23,097,772.50	46,997,772.50	-	46,997,772.50
10/01/2032	25,355,000.00	6.450%	21,556,222.50	46,911,222.50	-	46,911,222.50
10/01/2033	26,910,000.00	6.450%	19,920,825.00	46,830,825.00	-	46,830,825.00
10/01/2034	28,550,000.00	6.450%	18,185,130.00	46,735,130.00	-	46,735,130.00
10/01/2035	30,245,000.00	6.450%	16,343,655.00	46,588,655.00	-	46,588,655.00
10/01/2036	32,040,000.00	6.450%	14,392,852.50	46,432,852.50	-	46,432,852.50
10/01/2037	33,945,000.00	6.450%	12,326,272.50	46,271,272.50	-	46,271,272.50
10/01/2038	35,965,000.00	6.450%	10,136,820.00	46,101,820.00	-	46,101,820.00
10/01/2039	38,075,000.00	6.450%	7,817,077.50	45,892,077.50	-	45,892,077.50
10/01/2040	40,350,000.00	6.450%	5,361,240.00	45,711,240.00	-	45,711,240.00
10/01/2041	42,770,000.00	6.450%	2,758,665.00	45,528,665.00	-	45,528,665.00
Total	**$600,000,000.00**	-	**$833,752,800.00**	**$1,433,752,800.00**	**(44,827,500.00)**	1,388,925,300.00

File | MDAD Pricing | Series 2010B Base Case (6.50% TIC)

Preliminary numbers; subject to change.

Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Base Case: 6.50% TIC

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
10/01/2013	Serial Coupon	6.450%	6.460%	1,000,000.00	99.960%	999,600.00
10/01/2014	Serial Coupon	6.450%	6.460%	3,000,000.00	99.952%	2,998,560.00
10/01/2015	Serial Coupon	6.450%	6.460%	5,000,000.00	99.945%	4,997,250.00
10/01/2016	Serial Coupon	6.450%	6.460%	6,000,000.00	99.938%	5,996,280.00
10/01/2017	Serial Coupon	6.450%	6.460%	15,000,000.00	99.932%	14,989,800.00
10/01/2018	Serial Coupon	6.450%	6.460%	12,115,000.00	99.926%	12,106,034.90
10/01/2019	Serial Coupon	6.450%	6.460%	11,730,000.00	99.920%	11,720,616.00
10/01/2020	Serial Coupon	6.450%	6.460%	12,460,000.00	99.915%	12,449,409.00
10/01/2021	Serial Coupon	6.450%	6.460%	13,250,000.00	99.910%	13,238,075.00
10/01/2022	Serial Coupon	6.450%	6.460%	14,085,000.00	99.905%	14,071,619.25
10/01/2023	Serial Coupon	6.450%	6.460%	14,975,000.00	99.901%	14,960,174.75
10/01/2024	Serial Coupon	6.450%	6.460%	15,860,000.00	99.897%	15,843,664.20
10/01/2025	Serial Coupon	6.450%	6.460%	16,830,000.00	99.893%	16,811,991.90
10/01/2026	Serial Coupon	6.450%	6.460%	17,840,000.00	99.889%	17,820,197.60
10/01/2029	Term 1 Coupon	6.450%	6.450%	60,230,000.00	100.000%	60,230,000.00
10/01/2030	Term 2 Coupon	6.450%	6.450%	22,520,000.00	100.000%	22,520,000.00
10/01/2035	Term 3 Coupon	6.450%	6.450%	134,960,000.00	100.000%	134,960,000.00
10/01/2041	Term 4 Coupon	6.450%	6.450%	223,145,000.00	100.000%	223,145,000.00
Total	-	-	-	**$600,000,000.00**	-	**$599,858,272.60**

Bid Information

Par Amount of Bonds	$600,000,000.00
Reoffering Premium or (Discount)	(141,727.40)
Gross Production	$599,858,272.60
Total Underwriter's Discount (0.550%)	$(3,300,000.00)
Bid (99.426%)	596,558,272.60
Total Purchase Price	$596,558,272.60
Bond Year Dollars	$12,926,400.00
Average Life	21.544 Years
Average Coupon	6.4500000%
Net Interest Cost (NIC)	6.4766256%
True Interest Cost (TIC)	6.5030588%

Preliminary numbers; subject to change.

Miami-Dade County, Florida

Aviation Revenue Bonds, Series 2010B (New Money)

Base Case: 6.50% TIC

Net New Debt Service Schedule (Base Case)

Date	Existing Service	Base Case Principal	Base Case Interest	Base Case CIF	Base Case Net D/S	Total Net New D/S
10/01/2010	$ 337,775,661	-	$ 6,127,500	$ (6,127,500)	$ -	$ 337,775,661
10/01/2011	344,785,040	-	38,700,000	(38,700,000)	-	344,785,040
10/01/2012	345,386,109	-	38,700,000	-	38,700,000	384,086,109
10/01/2013	345,374,214	1,000,000	38,700,000	-	39,700,000	385,074,214
10/01/2014	345,510,679	3,000,000	38,635,500	-	41,635,500	387,146,179
10/01/2015	345,758,699	5,000,000	38,442,000	-	43,442,000	389,200,699
10/01/2016	346,984,718	6,000,000	38,119,500	-	44,119,500	391,104,218
10/01/2017	352,867,818	15,000,000	37,732,500	-	52,732,500	405,600,318
10/01/2018	369,087,162	12,115,000	36,765,000	-	48,880,000	417,967,162
10/01/2019	370,253,279	11,730,000	35,983,583	-	47,713,583	417,966,862
10/01/2020	370,277,822	12,460,000	35,226,998	-	47,686,998	417,964,820
10/01/2021	370,294,787	13,250,000	34,423,328	-	47,673,328	417,968,115
10/01/2022	370,312,735	14,085,000	33,568,703	-	47,653,703	417,966,438
10/01/2023	370,336,047	14,975,000	32,660,220	-	47,635,220	417,971,267
10/01/2024	370,414,974	15,860,000	31,694,333	-	47,554,333	417,969,307
10/01/2025	370,470,305	16,830,000	30,671,363	-	47,501,363	417,971,668
10/01/2026	370,540,771	17,840,000	29,585,828	-	47,425,828	417,966,599
10/01/2027	370,610,884	18,920,000	28,435,148	-	47,355,148	417,966,032
10/01/2028	370,671,434	20,080,000	27,214,808	-	47,294,808	417,966,242
10/01/2029	370,820,685	21,230,000	25,919,648	-	47,149,648	417,970,333
10/01/2030	370,896,779	22,520,000	24,550,313	-	47,070,313	417,967,092
10/01/2031	370,969,366	23,900,000	23,097,773	-	46,997,773	417,967,139
10/01/2032	371,055,429	25,355,000	21,556,223	-	46,911,223	417,966,651
10/01/2033	371,136,047	26,910,000	19,920,825	-	46,830,825	417,966,872
10/01/2034	371,230,848	28,550,000	18,185,130	-	46,735,130	417,965,978
10/01/2035	371,377,504	30,245,000	16,343,655	-	46,588,655	417,966,159
10/01/2036	371,534,398	32,040,000	14,392,853	-	46,432,853	417,967,251
10/01/2037	371,696,422	33,945,000	12,326,273	-	46,271,273	417,967,694
10/01/2038	371,867,209	35,965,000	10,136,820	-	46,101,820	417,969,029
10/01/2039	372,076,582	38,075,000	7,817,078	-	45,892,078	417,968,659
10/01/2040	372,254,663	40,350,000	5,361,240	-	45,711,240	417,965,903
10/01/2041	372,442,801	42,770,000	2,758,665	-	45,528,665	417,971,466
Total	**$11,667,071,869**	**$600,000,000**	**$833,752,800**	**($44,827,500)**	**$1,388,925,300**	**$13,055,997,169**

File | MDAD Pricing | Series 2010B Base Case (6.50% TIC)

Schedule D -- Additional Bonds Test Under Aviation Trust Agreement

PRINCIPAL AND INTEREST REQUIREMENTS
Miami-Dade County Aviation Department
For Fiscal Years Ending September 30
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by Aviation Department, as described in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Historical		Forecast								
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Aviation Revenue Bonds											
Series 1995E	$ 382	$ 6,752	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Series 1996A	1,281										
Series 1996B	129										
Series 1996C	406				-	-	-	-	-	-	-
Series 1997A	10,799	10,799	10,801	-	-	-	-	-	-	-	-
Series 1997B	881	-	-	-	-	-	-	-	-	-	-
Series 1997C	3,237	3,237	3,237	3,237	3,237	3,237	3,237	3,237	3,237	3,237	3,237
Series 1998A	37,537	4,284	4,284	4,284	4,284	4,284	4,479	4,799	4,798	4,795	4,797
Series 1998C	7,604	12,089	12,091	12,090	12,086	12,089	12,088	12,091	12,088	12,089	12,087
Series 2000A	4,599	4,599	4,599	6,974	6,971	6,970	6,973	6,971	6,973	6,970	6,974
Series 2000B	3,500	3,500	3,500	5,420	5,419	5,423	5,424	5,423	5,424	5,422	5,421
Series 2002	16,187	16,187	16,187	18,987	23,941	23,941	23,943	23,939	23,943	23,941	23,941
Series 2002A	30,253	30,253	30,253	30,253	30,253	30,253	30,253	30,253	30,253	30,253	30,253
Series 2003A	14,313	14,313	14,313	14,313	14,313	14,313	14,313	14,313	14,313	14,313	14,313
Series 2003B	1,596	1,596	1,596	6,196	2,986	2,990	2,985	2,990	2,990	2,987	2,985
Series 2003C	1,242	5,137	-	-	-	-	-	-	-	-	-
Series 2003D	3,872	8,077	6,023	8,077	8,080	8,083	8,080	8,081	8,083	8,079	8,075
Series 2003E	6,981	7,271	13,496	13,519	13,524	13,560	13,575	13,570	13,593	13,643	13,655
Series 2004A	10,370	10,370	10,370	10,370	10,370	10,370	10,370	10,370	10,370	10,370	10,370
Series 2004B	7,808	7,808	7,808	7,808	7,808	7,808	7,808	7,808	7,808	7,808	7,808
Series 2004C	652	5,312	5,319	5,319	-	-	-	-	-	-	-
Series 2005A	17,873	17,873	17,873	17,873	17,873	17,873	17,873	17,873	17,873	17,873	17,873
Series 2005B	9,732	18,374	19,058	8,025	19,554	19,554	19,550	19,553	19,557	19,550	19,555
Series 2005C	10,771	3,166	11,909	5,105	1,380	1,378	1,381	1,379	1,381	1,378	1,380
Series 2007A	-	27,554	27,554	27,554	27,554	27,554	27,554	27,554	27,554	27,554	27,554
Series 2007B	-	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294	2,294
Series 2007C	22,406	24,182	24,178	34,815	34,812	34,811	34,812	34,812	34,809	34,814	34,810
Series 2007D	5,572	6,024	6,025	6,027	1,433	1,433	1,433	1,433	1,433	1,433	1,433
Series 2008A	-	-	23,044	23,044	23,044	23,044	23,044	23,044	23,044	23,044	23,044
Series 2008B	-	-	8,232	8,232	8,232	8,232	8,232	8,232	9,497	9,486	9,494
Series 2009 A&B	-	-	-	33,469	33,439	33,409	33,369	33,329	33,289	39,189	44,324
Series 2010A Bonds	-	-	-	15,750	32,499	32,469	32,439	32,409	32,379	32,344	43,409
Outstanding Bonds	$ 229,984	$ 251,049	$ 284,044	$ 329,035	$ 345,386	$ 345,374	$ 345,511	$ 345,759	$ 346,985	$ 352,868	$ 369,087
Proposed Series 2010B Bonds	-	-	-	-	38,700	39,700	41,636	43,442	44,120	52,733	48,880
Gross P&I Requirements	$ 229,984	$ 251,049	$ 284,044	$ 329,035	$ 384,086	$ 385,074	$ 387,146	$ 389,201	$ 391,104	$ 405,600	$ 417,967
Less:											
2003 PFC Set-Aside	(35,000)	(9,000)	(9,000)	-	-	-	-	-	-	-	-
2005 PFC Set-Aside	(30,000)	(30,000)	-	-	-	-	-	-	-	-	-
Other PFC Deposits	(16,608)	(61,000)	(91,000)	(85,000)	(80,000)	(75,000)	(75,000)	(75,000)	(70,000)	(64,000)	(65,000)
Principal and Interest Requirements	$ 148,376	$ 151,049	$ 184,044	$ 244,035	$ 304,086	$ 310,074	$ 312,146	$ 314,201	$ 321,104	$ 341,600	$ 352,967

Sources: FY 2008 and FY 2009, and PFC Deposits from Miami-Dade County Aviation Department; Forecasts of Gross P&I Requirements by First Southwest Company.

RATE COVENANT COMPLIANCE - AVIATION REVENUE BONDS
Miami-Dade County Aviation Department
For Fiscal Years Ending September 30
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by Aviation Department, as described in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

	Budget	Forecast							
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Rate Covenant Compliance - Aviation Revenue Bonds									
Revenues	$ 635,181	$ 778,368	$ 890,462	$ 927,304	$ 960,996	$ 997,955	$ 1,037,954	$ 1,100,058	$ 1,154,119
Current Expenses	(394,209)	(455,077)	(481,209)	(509,234)	(538,977)	(570,549)	(604,071)	(639,667)	(677,476)
Net Revenues	$ 240,972	$ 323,291	$ 409,253	$ 418,070	$ 422,020	$ 427,405	$ 433,884	$ 460,390	$ 476,643
Reserve Maintenance Fund	(19,250)	(20,025)	(20,850)	(21,675)	(22,550)	(23,905)	(25,350)	(26,875)	(29,025)
1.20 X Principal and Interest Requirements /1	(220,853)	(292,843)	(364,903)	(372,089)	(374,575)	(377,041)	(385,325)	(409,920)	(423,561)
Bond Reserve Account	-	-	-	-	-	-	-	-	-
Must Not Be Less Than Zero	$ 869	$ 10,423	$ 23,500	$ 24,306	$ 24,894	$ 26,459	$ 23,209	$ 23,595	$ 24,058
Additional Information									
Net Revenues	$ 240,972	$ 323,291	$ 409,253	$ 418,070	$ 422,020	$ 427,405	$ 433,884	$ 460,390	$ 476,643
Reserve Maintenance Fund	(19,250)	(20,025)	(20,850)	(21,675)	(22,550)	(23,905)	(25,350)	(26,875)	(29,025)
Bond Reserve Account	-	-	-	-	-	-	-	-	-
Subtotal	$ 221,722	$ 303,266	$ 388,403	$ 396,395	$ 399,470	$ 403,500	$ 408,534	$ 433,515	$ 447,618
Principal and Interest Requirements	184,044	244,035	304,086	310,074	312,146	314,201	321,104	341,600	352,967
Senior Lien Debt Service Coverage Ratio /2	**1.20**	**1.24**	**1.28**	**1.28**	**1.28**	**1.28**	**1.27**	**1.27**	**1.27**

RATE COVENANT COMPLIANCE - DOUBLE-BARRELED BONDS
Miami-Dade County Aviation Department
For Fiscal Years Ending September 30
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by Aviation Department as described in the accompanying text. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material

	Budget	Forecast							
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Rate Covenant Compliance - Double-Barreled Bonds									
Revenues	$ 635,181	$ 778,368	$ 890,462	$ 927,304	$ 960,996	$ 997,955	$ 1,037,954	$ 1,100,058	$ 1,154,119
LESS:									
Current Expenses	(394,209)	(455,077)	(481,209)	(509,234)	(538,977)	(570,549)	(604,071)	(639,667)	(677,476)
Operating Reserve	648	(8,826)	(6,195)	(6,750)	(7,305)	(8,855)	(5,587)	(5,933)	(6,301)
Bond Service Account	(184,044)	(244,035)	(304,086)	(310,074)	(312,146)	(314,201)	(321,104)	(341,600)	(352,967)
Bond Reserve Account	-	-	-	-	-	-	-	-	-
Reserve Maintenance Fund	(19,250)	(20,025)	(20,850)	(21,675)	(22,550)	(23,905)	(25,350)	(26,875)	(29,025)
Commercial Paper Interest	-	-	-	-	-	-	-	-	-
Net Available Airport Revenues	$ 38,326	$ 50,404	$ 78,122	$ 79,571	$ 80,018	$ 80,444	$ 81,843	$ 85,982	$ 88,350
2010 Double-Barreled Bonds	-	-	(15,430)	(15,432)	(15,431)	(15,431)	(15,430)	(15,432)	(15,432)
Must Not Be Less Than Zero	$ 38,326	$ 50,404	$ 62,691	$ 64,140	$ 64,588	$ 65,013	$ 66,412	$ 70,550	$ 72,918

5

SERIES RESOLUTION

RESOLUTION NO. R-_____

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MEMORANDUM

(Revised)

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

DATE: June 3, 2010

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

SUBJECT: Agenda Item No. 5(B)

Please note any items checked.

_____	**"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**
_____	**Ordinance creating a new board requires detailed County Manager's report for public hearing**
_____	**No committee review**
_____	**Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**
✓	**Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor

Veto _____

Override _____

Agenda Item No. 5(B)

6-3-10

RESOLUTION NO. _____

RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED $600,000,000 OF AVIATION REVENUE BONDS, IN ONE OR MORE SERIES AND/OR TRANCHES, FOR SPECIFIED PURPOSES PURSUANT TO SECTION 210 OF AMENDED AND RESTATED TRUST AGREEMENT AND APPLICABLE ORDINANCES; APPROVING ISSUANCE OF BONDS 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, 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 Trust Agreement) of various Port Authority Properties (as defined in the Trust Agreement) 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 $5,341,515,000 under the provisions of Section 210 of the Trust Agreement; and

WHEREAS, the Board desires to authorize the issuance of additional bonds under the Act (defined below), in one or more Series (as defined in the Trust Agreement) and/or 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 2010B 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 B (NON-AMT) (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 2010B Bonds, if there is an economic benefit as provided in Section 7 of this resolution (the "Series 2010B Resolution"), and (v) paying capitalized interest, if any, on all or a portion of the Series 2010B 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 2010B Bonds, in one or more Series and/or one or more Tranches, is in the best interest of the County for the reasons set forth in Section 3D of this Series 2010B Resolution; and

WHEREAS, the Board, on this date, conducted a public hearing with respect to the issuance of the Series 2010B 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 Plan of Financing (as defined in this Series 2010B Resolution) and the issuance of the Series 2010B 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 2010B Bonds, (ii) execute, if necessary, and deliver certain agreements, instruments and certificates in connection with the Series 2010B Bonds, including, without limitation, the Bond Purchase

Agreement, the Preliminary Official Statement and the Official Statement (as such terms are defined in this Series 2010B Resolution), (iii) secure one or more Credit Facilities and/or Reserve Facilities, if there is an economic benefit as provided in Section 7 of this Series 2010B Resolution, and (iv) take all action and make such further determinations and designations necessary in connection with the issuance and sale of the Series 2010B Bonds, all subject to the limitations contained in this Series 2010B 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 JPMorgan Securities 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 2010B 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 2010B 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"), Squire, Sanders & Dempsey L.L.P. and KnoxSeaton (collectively, "Bond Counsel") and Hunton & Williams LLP and Law Offices Thomas H. Williams, Jr., P.L. (collectively, "Disclosure Counsel"), and after consultation with the Aviation Director (as defined in this Series 2010B Resolution) and the Financial Advisor as provided in Section 8 of this Series 2010B Resolution, in connection with the Series 2010B 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 2010B 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 2010B 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 2010B Resolution, including the recitals to this Series 2010B 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. "Aviation Director" means the Director of the Aviation Department, the acting Director of the Aviation Department, or, in either case, her or his designee.

B. "Build America Bonds (Direct Payment)" means bonds, the interest on which is not excludable from gross income for federal income tax purposes, that are issued as Build America Bonds (Direct Payment) within the meaning of Section 54AA(d) and IRS Notice 2009-26 published in Internal Revenue Bulletin 2009-16 dated April 20, 2009.

C. "CIP Projects" means those Improvements to the Port Authority Properties which are attached as Exhibit "A" to this Series 2010B 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 or the treatment of any Series 2010B Bonds issued as Build America Bonds (Direct Payment) under Section 54AA(d) of the Code 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. "Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated under it.

F. "County Manager" means the County Manager of the County.

G. "County Mayor" means the Mayor of the County.

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

I. "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.

J. "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.

K. "Interest Subsidy Payments" means the subsidy payments received by the County from the United States Department of the Treasury pursuant to the provisions of Sections 54AA(g) and 6431(b) of the Code in an amount equal to thirty-five percent (35%) of the interest payable by the County on any Series 2010B Bonds issued as Build America Bonds (Direct Payment).

L. "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.

M. "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.

N. "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 Series and/or Tranche of the Series 2010B Bonds, setting forth among other things, the information and designations required by Section 5 of this Series 2010B Resolution.

O. "Plan of Financing" means the County's plan of financing authorized by, and described in, this Series 2010B Resolution.

P. "Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, taking into account all permitted credits, all as provided in the Income Tax Regulations implementing Section 148 of the Code.

Q. "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.

R. "Tax Certificate" means a tax compliance certificate dated the date of original issuance of each Series and/or Tranche of Series 2010B Bonds executed by the Finance Director and the Aviation Director regarding, among other things, restrictions related to rebate of arbitrage earnings to the United States of America and (i) with respect to Tax-Exempt Bonds, the

restrictions prescribed by the Code in order for interest on the Bonds to remain excludable from gross income for federal income tax purposes, and (ii) with respect to Series 2010B Bonds issued as Build America Bonds (Direct Payment), the restrictions prescribed by the Code in order for the County to receive the Interest Subsidy Payments.

S. "Tax-Exempt Bonds" means the Series 2010B Bonds, the interest on which is intended on the date of issuance thereof to be excludable from gross income for federal income tax purposes.

T. "Tranche" means a subseries of the Series 2010B Bonds designated in accordance with Section 4A of this Series 2010B Resolution which may or may not be sold or issued at the same time as other subseries of the Series 2010B 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 2010B Resolution was considered concerning the Plan of Financing and the issuance of the Series 2010B 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 2010B Resolution. At the hearing, comments and discussion were requested concerning the Plan of Financing and the issuance of the Series 2010B Bonds. A reasonable opportunity to be heard was afforded to all persons present at the hearing. By adoption of this Series 2010B Resolution, the Board approves, within the meaning of Section 147(f) of the Code, the Plan of Financing and the issuance of the Series 2010B Bonds.

B. The County is authorized under the Act and the Trust Agreement to issue the Series 2010B Bonds for the valid public purposes of: (a) refunding all or a portion of any outstanding 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 2010B Bonds, if there is an economic benefit as provided in Section 7 of this Series 2010B Resolution; and (e) paying capitalized interest, if any, on all or a portion of the Series 2010B 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 2010B Bonds are issued, if any, be refunded with the Series 2010B Bonds as contemplated in this Series 2010B 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 2010B 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 2010B 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 current financial condition of the airline industry, (ii) the size and complexity of 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 2010B Bonds in one or more Series and/or 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 2010B Bonds in one or more Series and/or 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 2010B Bonds in one or more Series and/or one or more Tranches at a negotiated sale but only upon the terms and conditions and subject to the limitations of this Series 2010B 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 Series and/or Tranche in accordance with Section 5 of this Series 2010B Resolution.

F. The authority granted to the Finance Director with regard to the issuance of the Series 2010B Bonds as provided in this Series 2010B Resolution is necessary to the proper and efficient implementation of the provisions of this Series 2010B Resolution in order to achieve the maximum flexibility in the marketplace.

G. The Board confirms that any Interest Subsidy Payment paid by the United States Treasury to the County on account of the issuance of any of the Series 2010B Bonds as Build America Bonds (Direct Payment) shall be considered Revenues within the meaning of the Trust Agreement for all purposes.

H. The recitals contained in the "WHEREAS" clauses are incorporated in this Series 2010B Resolution as findings and the attached County Manager's Memorandum is approved and incorporated in this Series 2010B Resolution.

SECTION 4. Authorization of Series 2010B Bonds; Conditional Notice of Redemption.

A. Subject and pursuant to the provisions of this Series 2010B Resolution, the Ordinance, the Trust Agreement and the County Manager's Memorandum and for the purposes of

(a) refunding 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 there is an economic benefit as provided in Section 7 of this Series 2010B Resolution; and (e) paying capitalized interest, if any, on all or a portion of the Series 2010B Bonds, the Board authorizes the issuance of the Series 2010B Bonds to be designated as "Miami-Dade County, Florida Aviation Revenue Bonds, Series 2010__", in one or more Series and/or one or more Tranches, with such Series and/or Tranche designations as shall be determined by the Finance Director after consultation with Bond Counsel. Notwithstanding anything in this Series 2010B Resolution to the contrary, the Series 2010B Bonds shall not be issued and delivered until the conditions specified in Section 210 of the Trust Agreement have been satisfied.

B. The aggregate principal amount of the Series 2010B Bonds shall not exceed $600,000,000, with the exact principal amount of the Series 2010B 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 2010B 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 2010B 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 2010B Bonds.

D. If the Series 2010B 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 his discretion, to add to the form of Series 2010B 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 2010B 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 2010B Bonds called for redemption and not so paid remain Outstanding.

SECTION 5. Terms of Series 2010B Bonds; Extraordinary Redemption; 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 Series and/or Tranche of the Series 2010B Bonds, such approval to be evidenced by the terms and provisions set forth in the Omnibus Certificate for such Series and/or Tranche, including, without limitation, the aggregate principal amount of the Series 2010B Bonds, the number of Series and/or Tranches of Series 2010B Bonds to be issued and the Series and/or Tranche designations, the authorized denominations of each Series and/or Tranche of the Series 2010B Bonds, the dated date of the Series 2010B Bonds, the first interest payment date, the interest rate or rates, the purchase price, the optional and mandatory redemption terms of the Series 2010B Bonds, whether the Series 2010B Bonds shall be serial bonds, term bonds, or any combination of such bonds, the maturity dates of the Series 2010B 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 2010B Bonds exceed $600,000,000; (ii) any Series 2010B 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 Series 2010B Bonds (including original issue discount and original issue premium) (the "Minimum Purchase Price"); (iii) the true interest cost rate (the "TIC") on any Series 2010B Bonds issued as Tax-Exempt Bonds and sold to the Underwriters at one time exceed 6.50% and the TIC on any Series 2010B Bonds issued as Build America Bonds (Direct Payment) and sold to the Underwriters at one time exceed 8.85%, provided that with respect to any Series 2010B Bonds issued as Build America Bonds (Direct Payment), the TIC shall be calculated without regard to any Interest Subsidy Payments, which will reduce the interest payments due

from the County; or (iv) the final maturity of the Series 2010B Bonds exceed 40 years from the dated date of the Series 2010B Bonds. Such Omnibus Certificate shall also designate and irrevocably elect which of the Series 2010B Bonds of such Series and/or Tranche, if any, shall be issued as Build America Bonds (Direct Payment). In making any such designation and irrevocable election, the Finance Director, after consultation with the Aviation Director and the Financial Advisor, shall demonstrate in the Omnibus Certificate that there is an economic benefit to the County to making such designation and irrevocable election.

In addition to the terms and provisions described in the preceding paragraph, the Finance Director, after consultation with the Aviation Director and the Financial Advisor may also provide in the Omnibus Certificate for the extraordinary redemption of any Series 2010B Bonds issued as Build America Bonds (Direct Payment). In the event such a determination is made, such Series 2010B Bonds issued as Build America Bonds (Direct Payment), if any, would be subject to redemption prior to maturity at the option of the County, either in whole or in part, at any time, from any moneys that may be available for such purpose, as set forth in the Omnibus Certificate, upon the occurrence of a material adverse change to Section 54AA or 6431 of the Code or other applicable provisions of the Code pursuant to which the Interest Subsidy Payments are reduced or eliminated.

The Finance Director after consultation with the Aviation Director is authorized to execute and deliver to the Underwriters the Bond Purchase Agreement in connection with the purchase of the Series 2010B Bonds by the Underwriters, 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 2010B 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 2010B 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. If the Series 2010B Bonds are offered in two or more Series and/or Tranches to be sold at different times, the Bond Purchase Agreement for each Series and/or Tranche sold after the initial sale shall be in substantially the form of the Bond Purchase Agreement executed and delivered in connection with the initial sale, with such changes, insertions and omissions as may be necessary and approved by the Finance Director in accordance with the terms of this Series 2010B Resolution, after the consultations as described above. The execution and delivery of each such Bond Purchase Agreement by the Finance Director shall be conclusive evidence of the Board's approval of any such changes, insertions and omissions and acceptance of the Underwriters' proposal to purchase each such Series and/or Tranche of Series 2010B Bonds.

B. The Series 2010B 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 2010B Bonds in accordance with the provisions of Section 210 of the Trust Agreement. The Series 2010B 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 2010B 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 2010B 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 2010B Bonds ceases to be in effect, the Series 2010B Bonds shall be issued in fully registered form without coupons, registered in the names of the owners of the Series 2010B Bonds.

C. Interest payments with respect to the Series 2010B Bonds shall be paid by check or draft mailed to the registered owner of Series 2010B Bonds at its address as it appears on the registration books of the Trustee on the Regular Record Date therefor; however, any Series 2010B Bondholder owning Series 2010B 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 2010B Bondholder, at the expense of such Series 2010B Bondholder.

SECTION 6. Application of Proceeds.

Proceeds from the sale of the Series 2010B 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 2010B Bonds shall be deposited with the Co-Trustee to the credit of a separate special account or accounts appropriately designated and created for each Series of the Series 2010B Bonds, as contemplated in the Trust Agreement, to be applied, as applicable, (a) to pay certain costs of issuance of the Series 2010B Bonds, (b) to fund the repayment and retirement of the outstanding CP Notes to be refunded from a portion of the proceeds of the Series 2010B Bonds, 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 2010B Bonds in accordance

with the Trust Agreement, all as set forth in the Omnibus Certificate; provided, however, that any premiums on or fees for Credit Facilities and/or Reserve Facilities payable by the County may be paid directly by the Underwriters from the proceeds of the Series 2010B Bonds. 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 outstanding CP Notes to be refunded from a portion of the proceeds of the Series 2010B Bonds, 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 2010B Bonds shall be deposited and applied solely for the purposes for which the Series 2010B Bonds are being issued.

SECTION 7. Approval of Credit Facilities and Reserve Facilities. 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 secure and pay for one or more Credit Facilities and/or Reserve Facilities, the Finance Director is authorized to secure one or more Credit Facilities and/or Reserve Facilities with respect to the Series 2010B 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 Facilities and/or Reserve Facilities with such terms, covenants, provisions and agreements, including, without limitation, granting to any provider of a Credit Facility the power to exercise certain rights and privileges of the holders of the Series 2010B Bonds secured by such Credit Facility 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 (the "Preliminary Official Statement") in connection with the offering and sale of the Series 2010B Bonds substantially in the form attached as Exhibit "D" to this Series 2010B 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 2010B 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, 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, 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 2010B Bonds is authorized. If the Series 2010B Bonds are offered in two or more Series and/or Tranches to be sold at different times, the Preliminary Official Statement and the Official Statement for each Series and/or Tranche offered after the initial offering shall be in substantially the form utilized for the initial offering with such changes, insertions and omissions as may be necessary 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 Series and/or Tranches consistent with good disclosure practices.

SECTION 9. Tax Covenants.

A. It is the intention of the County that the interest on the Tax-Exempt Bonds issued hereunder be and remain excludable from gross income for federal income tax purposes, and to this end the County hereby represents to and covenants with the registered owners of the Tax-Exempt Bonds that it will comply with the requirements applicable to it contained in Sections 103 and 141 through 150 of the Code to the extent necessary to preserve the excludability of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes.

B. It is the intention of the County that the County will receive the Interest Subsidy Payments in respect of all Series 2010B Bonds issued as Build America Bonds (Direct Payment). The Code imposes requirements on the County with respect to Series 2010B Bonds issued as Build America Bonds (Direct Payment) that the County must continue to meet after such Series 2010B Bonds issued as Build America Bonds (Direct Payment) are issued in order for the County to receive such Interest Subsidy Payments, and to this end the County hereby represents to and

covenants with the registered owners of any Series 2010B Bonds issued as Build America Bonds (Direct Payment) that it will comply with such requirements contained in the Code to the extent necessary for the County to receive such Interest Subsidy Payments.

C. Specifically, without intending to limit in any way the generality of the foregoing, the County covenants and agrees with respect to the Tax-Exempt Bonds and Series 2010B Bonds issued as Build America Bonds (Direct Payment):

(i) to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;

(ii) to set aside sufficient moneys, from Revenues or other legally available funds of the Aviation Department, to timely pay the Rebate Amount to the United States of America;

(iii) to pay the Rebate Amount to the United States of America from Revenues or from any other legally available funds of the Aviation Department, at the times and to the extent required pursuant to Section 148(f) of the Code;

(iv) to maintain and retain all records pertaining to the Rebate Amount with respect to Tax-Exempt Bonds and Series 2010B Bonds issued as Build America Bonds (Direct Payment), and required payments of the Rebate Amount with respect to each Series and/or Tranche of the Tax-Exempt Bonds and Series 2010B Bonds issued as Build America Bonds (Direct Payment) for at least six years after the final maturity thereof or such other period as shall be necessary to comply with the Code;

(v) to refrain from using proceeds of any Tax-Exempt Bonds that are not issued with the intent that they constitute private activity bonds under Section 141(a) of the Code and any Series 2010B Bonds issued as Build America Bonds (Direct Payment) in a manner

that might cause any such Bonds to be classified as private activity bonds under Section 141(a) of the Code;

(vi) to refrain from taking any action that would cause the Tax-Exempt Bonds and Series 2010B Bonds issued as Build America Bonds (Direct Payment) to become arbitrage bonds under Section 148 of the Code; and

(vii) to comply with and take all actions required of it by each Tax Certificate.

D. The County understands that the foregoing covenants impose continuing obligations on it that will exist as long as the requirements of Sections 103 and 141 through 150 of the Code are applicable to Tax-Exempt Bonds and Series 2010B Bonds issued as Build America Bonds (Direct Payment).

E. Notwithstanding any other provision of this Series 2010B Resolution, the obligation of the County to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section 9 shall survive the defeasance or payment in full of the Series 2010B Bonds.

F. The Finance Director and the Aviation Director are authorized to execute and deliver one or more Tax Certificates, to be prepared by Bond Counsel, 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 continuing disclosure requirements of the Rule, to provide or cause to be provided for the benefit of the beneficial owners of the Series 2010B Bonds (the "Beneficial Owners") to the Municipal Securities Rulemaking Board ("MSRB") in an electronic format prescribed by the MSRB and such other municipal securities information repository as may be

required by law or applicable legislation, from time to time (each such information repository, a "MSIR"), the following annual financial information (the "Annual Information"), commencing with the Fiscal Year ending after the issuance of the Series 2010B Bonds:

(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 2010B 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 shall be available on or before June 1 of each year for the preceding Fiscal Year and shall be made available, in addition to the Trustee and each MSIR, to each Beneficial Owner of the Series 2010B Bonds who requests such information in writing. The audited general purpose 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 shall 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 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.

B. The County agrees to provide or cause to be provided, in a timely manner, to each MSIR in the appropriate format required by law or applicable regulation, notice of occurrence of any of the following events with respect to the Series 2010B 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 providers, or their failure to perform;

(6) adverse tax opinions or events affecting the tax-exempt status of the Series 2010B Bonds;

(7) modifications to rights of Registered Owners of the Series 2010B Bonds;

(8) Series 2010B Bond calls;

(9) defeasance;

(10) release, substitution or sale of any property securing repayment of the Series 2010B Bonds; and

(11) rating changes.

C. The County agrees to provide or cause to be provided, in a timely manner, to each MSIR, in the appropriate format required by law or applicable regulation, 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 10 shall remain in effect only so long as the Series 2010B 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 2010B Bonds within the meaning of the Rule.

E. The County agrees that its undertaking pursuant to the Rule set forth in this Section 10 is intended to be for the benefit of the Beneficial Owners of the Series 2010B Bonds and shall be enforceable by the Trustee on behalf of such 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 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 this Section 10 in a federal or state court located within the County and any failure by the County to comply with the provisions of this undertaking shall not be a default with respect to the Series 2010B Bonds.

F. Notwithstanding the foregoing, each MSIR to which information shall be provided shall include each MSIR approved by the Securities and Exchange Commission prior to the issuance of the Series 2010B Bonds. In the event that the Securities and Exchange Commission approves any additional MSIRs after the date of issuance of the Series 2010B Bonds, the County shall, if the County is notified of such additional MSIRs, provide such information to the additional MSIRs. Failure to provide information to any new MSIR whose status as a MSIR is unknown to the County shall not constitute 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 2010B Bonds. The requirements of subsection A above may be met by the filing of an 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 MSIR 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 shall be done in a manner consistent with the Rule.

I. Except to cure any ambiguity, inconsistency or formal defect or omission in the provisions of this Section 10, the County agreements as to continuing 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 2010B 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 Disclosure 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 2010B Resolution, ceases to be in effect for any reason, and the County elects that the Covenants shall be deemed amended accordingly.

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

J. 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 prior to the issuance of the Series 2010B Bonds as he shall deem necessary in consultation with the County Attorney, Bond Counsel and Disclosure Counsel. The delivery of the 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.

K. 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 2010B 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 (K), "Obligated Person" means, with respect to the Series 2010B 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.

SECTION 11. Authorizations.

A. The County Mayor and the Clerk are authorized and directed, individually or in combination, to execute the Series 2010B 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 2010B 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 2010B 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 2010B 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 2010B Bonds and upon compliance with the other requirements for delivery of bonds set forth in the Trust Agreement and pertaining to the Series 2010B Bonds.

C. The Finance Director is authorized to approve the investment of proceeds of the Series 2010B Bonds held under the provisions of the Trust Agreement and to instruct the Trustee and the Co-Trustee, as applicable, 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 2010B Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Series 2010B Resolution, the Series 2010B 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 2010B 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 2010B 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 2010B 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 2010B Resolution are to the extent of such conflict repealed or amended to the extent of such inconsistency.

SECTION 14. Governing Law; Venue. The Series 2010B Bonds are to be issued and this Series 2010B Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction. Venue shall lie in Miami-Dade County, Florida.

SECTION 15. No Recourse Against County's Officers. No covenant, agreement or obligation contained in this Series 2010B 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 2010B Bonds shall be liable personally on the Series 2010B Bonds or be subject to any personal liability or accountability by reason of the issuance of the Series 2010B 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 2010B 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 2010B 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 3rd day of June, 2010. 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

Prepared by Bond Counsel:
Squire, Sanders & Dempsey L.L.P.
KnoxSeaton

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. Approximately 94% complete.

2. Terminal and Concourse Improvements:

   North Terminal – Reconfigure 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 utility infrastructure expansion. Approximately 80% complete.

   South Terminal – Renovation of existing terminal space in and adjacent to Concourse H and improving the corresponding taxiway. Approximately 97% complete.

   Other Terminal Projects – Life safety and building code upgrades, remodel and reconstruction of commercial facilities in the Central Terminal. Approximately 91% complete.

3. Landside:

   Roadways & Parking – Improvements to Perimeter Road and an upgrade of the Airport's accessibility facilities. Approximately 93% complete.

   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. Approximately 32% complete.

4. Support Programs: Replacement or upgrade of security, business systems and maintenance facilities. Approximately 75% complete.

5. Cargo and Aircraft Maintenance: Improving drainage in the area of aircraft maintenance facilities. Approximately 97% complete.

6. General Aviation Airports: Airfield improvements. Approximately 91% complete.

* Approximate percentages of completion are as of February 28, 2010.

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"

PRELIMINARY OFFICIAL STATEMENT

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

In the opinion of Squire, Sanders and Dempsey L.L.P. and KnoxSeaton, Bond Counsel, under existing law, (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2010B Bonds is excluded from gross income for federal income tax purposes, except interest on a Series 2010B 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, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Series 2010B Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Interest on the Series 2010B Bonds may be subject to certain federal taxes imposed only on certain corporations. For a more complete discussion of the tax aspects, see "TAX MATTERS."

$600,000,000*
MIAMI-DADE COUNTY, FLORIDA
Aviation Revenue Bonds
Series 2010B

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

Miami-Dade County, Florida (the "County") is issuing its $600,000,000* Aviation Revenue Bonds, Series 2010B (the "Series 2010B Bonds"). The Series 2010B 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 2010B Bonds. So long as the Series 2010B Bonds are in book-entry form, purchases of beneficial interests in the Series 2010B Bonds will be made in book-entry only form, without certificates, in denominations of $5,000 or integral multiples of $5,000. *See* "AUTHORIZATION FOR THE SERIES 2010B BONDS."

Interest on the Series 2010B Bonds will accrue from their initial date of delivery and will be payable on April 1 and October 1 of each year, commencing [on April 1, 2011].

Principal of and interest on the Series 2010B 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 2010B Bonds, payments of the principal of and interest on the Series 2010B 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 SERIES 2010B BONDS – Book-Entry Only System." The Series 2010B 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 2010B BONDS – Redemption."

The Series 2010B 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"). See "CAPITAL IMPROVEMENT PROGRAM" and "FUNDING SOURCES FOR THE CIP." The Series 2010B Bonds are being issued for the purposes of (a) financing or reimbursing the County for costs of certain portions of the CIP (collectively, the "Projects") (see "CAPITAL IMPROVEMENT PROGRAM"); (b) retiring at maturity commercial paper notes previously issued by the County to provide temporary financing for certain costs of the CIP; (c) making a deposit to the Reserve Account, (d) paying certain costs of issuance; and (e) paying capitalized interest on all or a portion of the Series 2010B Bonds.

* Preliminary, subject to change.

THE SERIES 2010B 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 2010B 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 2010B BONDS. THE ISSUANCE OF THE SERIES 2010B 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 2010B 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 2010B BONDS UNDER THE TRUST AGREEMENT.

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

This cover page contains information for quick reference only. It is not a summary of the Series 2010B Bonds. Investors must read the entire Official Statement, including the Appendices, to obtain information essential to the making of an informed investment decision.

The Series 2010B 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 Squire, Sanders & Dempsey L.L.P., Miami, Florida, and KnoxSeaton, Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the County by the Office of the Miami-Dade County Attorney. Certain other legal matters relating to disclosure will be passed upon for the County by Hunton & Williams LLP, Miami, Florida, and Law Offices Thomas H. Williams, Jr., P.L., Miami, Florida, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel,_____. 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 2010B Bonds will be available for delivery through DTC in New York, New York on or about August __, 2010.

J.P. Morgan

Goldman, Sachs & Co.	**Morgan Keegan & Company, Inc.**	**M.R. Beal & Company**		**Rice Financial Products Company**
Barclays Securities	**Estrada Hinojosa & Company, Inc.**		**Jackson Securities**	**Loop Capital Markets, LLC**
Morgan Stanley	**Ramirez & Co., Inc.**	**RBC Capital Markets**	**Siebert Brandford Shank & Co., LLC**	**Wells Fargo Securities**

Dated: July __, 2010

MATURITIES, PRINCIPAL AMOUNTS, INITIAL CUSIP NUMBERS[1], INTEREST RATES, AND YIELDS OF THE SERIES 2010B BONDS

AVIATION REVENUE BONDS, SERIES 2010B

$_____ Serial Series 2010B Bonds

Maturity (October 1)	Principal Amount	Initial CUSIP No.[1]	Interest Rate	Yield	Maturity (October 1)	Principal Amount	Initial CUSIP No.[1]	Interest Rate	Yield
2012					2022				
2013					2023				
2014					2024				
2015					2025				
2016					2026				
2017					2027				
2018					2028				
2019					2029				
2020					2030				
2021									

$_____ _____% Term Bonds due October 1, 20__, Yield ____%, Initial CUSIP No.[1] _____
$_____ _____% Term Bonds due October 1, 20__, Yield ____%, Initial CUSIP No.[1] _____
$_____ _____% Term Bonds due October 1, 20__, Yield ____%, Initial CUSIP No.[1] _____

[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.

MIAMI-DADE COUNTY, FLORIDA
Carlos Alvarez, Mayor

MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS
Dennis C. Moss, Chairman
José "Pepe" Diaz, Vice Chairman

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

COUNTY CLERK
Harvey Ruvin

COUNTY MANAGER
George M. Burgess

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

FINANCE DIRECTOR
Carter Hammer

AVIATION DEPARTMENT
José Abreu, P.E.
Aviation Director

Miguel A. Southwell
Deputy Aviation Director

Anne Syrcle Lee
Chief Financial Officer

Sergio San Miguel
Capital Finance Manager

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

KnoxSeaton
Miami, Florida

DISCLOSURE COUNSEL
Hunton & Williams LLP
Miami, Florida

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

FINANCIAL 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 2010B 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 2010B 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 2010B 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 2010B 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 2010B 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 2010B BONDS TO CERTAIN DEALERS AND OTHERS AT YIELDS HIGHER THAN THE PUBLIC OFFERING YIELDS REFLECTED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING 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 2010B 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 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.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF RULE 15c2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

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OFFICIAL STATEMENT

relating to

MIAMI-DADE COUNTY, FLORIDA
Miami International Airport

$600,000,000*
MIAMI-DADE COUNTY, FLORIDA
Aviation Revenue Bonds
Series 2010B

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 $600,000,000* Aviation Revenue Bonds, Series 2010B (the "Series 2010B Bonds").

The Series 2010B are being issued pursuant to (1) Chapters 125 and 166, Florida Statutes, as amended (collectively, the "Act"), (2) 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), 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 (3) Resolution No. R _____ (the "Series 2010B Resolution") adopted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on _____, 2010 approving the issuance of the Series 2010B Bonds. In addition, the Series 2010B Bonds are being issued pursuant to the authority of certain ordinances previously enacted by the Board. See "AUTHORIZATION FOR THE SERIES 2010B BONDS" and "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

The Series 2010B 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 Aviation Department. See "CAPITAL IMPROVEMENT PROGRAM" and "FUNDING SOURCES FOR THE CIP." The Series 2010B Bonds are being issued for the purposes of (a) financing or reimbursing the County for costs of certain portions of the CIP, more particularly described in the Series 2010B Resolution (collectively, the "Projects") (see "CAPITAL IMPROVEMENT PROGRAM"); (b) retiring at maturity commercial paper notes previously issued by the County to provide temporary financing for certain costs of the CIP; (c) making a deposit to the Reserve Account, (d) paying certain costs of issuance; and (e) paying capitalized interest on all or a portion of the Series 2010B Bonds.

The Series 2010B 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 2010B 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.

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* Preliminary, subject to change.

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The Airport is located approximately seven miles west of the downtown area of the City of Miami and includes approximately 3,300 acres and approximately 184 buildings. The Airport provides service to virtually every capital and secondary city/business center in the Latin American/Caribbean region and to many major business centers in Europe. For the ___ months through _____ 2010, a total of _____ passengers traveled through the Airport. The entire airport system operated by the County is referred to herein as the "Airport System." See "AIRPORT SYSTEM FACILITIES."

While 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 (as defined below). Under the Trust Agreement, the proceeds of Passenger Facilities Charges ("PFCs") 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 2010B BONDS – Pledge of Net Revenues," " – Rate Covenant" and " – Airline Use Agreement," "CERTAIN INVESTMENT CONSIDERATIONS – PFC Collections" and "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

Reference herein 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 Series 2010B Bonds are being issued on a parity with the $5,603,745,000 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 and Refunding Bonds (as such terms are defined below) under the Trust Agreement on a parity with the Outstanding Bonds and the Series 2010B Bonds. See "SECURITY FOR THE SERIES 2010B BONDS – Issuance of Additional Bonds" and " – Issuance of Refunding Bonds." The Series 2010B Bonds, the Outstanding Bonds and any Additional Bonds and Refunding 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 2010B Bonds, the Trust Agreement, the Aviation Department, the Airport, its facilities and operations and the CIP. Such descriptions do not purport to be comprehensive or definitive. Certain information in this Official Statement has been provided by The Depository Trust Company ("DTC"). The County has not provided information in this Official Statement with respect to DTC, and the County does not certify as to the accuracy or sufficiency of the disclosure policies of or content provided by DTC, and is not responsible for the information provided by DTC. 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 2010B Bonds are qualified in their entirety by reference to the form of the Series 2010B 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, 2009 and 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 Squire, Sanders & Dempsey L.L.P., and KnoxSeaton, Bond Counsel, are included as APPENDIX E. The opinions in substantially final form to be delivered by Hunton & Williams LLP and Law Offices Thomas H. Williams, Jr., P.L., Disclosure Counsel, are included as APPENDIX F.

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 2010B 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 2010B Bonds are being issued pursuant to the Act, the Trust Agreement, the Series 2010B 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 $5,341,515,000 of aviation revenue bonds have been issued, leaving approximately $858,485,000 in Authorizations remaining prior to the issuance of the Series 2010B Bonds for the issuance of Bonds (other than Refunding Bonds) to fund projects at the Airport.

In connection with the CIP, the County also has established and has utilized a program of issuing commercial paper notes ("CP Notes") to fund costs of the CIP on a short term basis. See "AVIATION RELATED DEBT — Commercial Paper Notes" and "FUNDING SOURCES FOR THE CIP."

PLAN OF FINANCING

The proceeds of the Series 2010B Bonds will be used for the purpose of (a) financing or reimbursing the County for costs of certain portions of the CIP, more particularly described in the Series 2010B Resolution (collectively, the "Projects") (see "CAPITAL IMPROVEMENT PROGRAM"); (b) retiring at maturity the CP Notes previously issued by the County to provide temporary financing for certain costs of the CIP; (c) making a deposit to the Reserve Account, (d) paying certain costs of issuance; and (e) paying capitalized interest on all or a portion of the Series 2010B Bonds.

The County current expects to issue the Series 2010B Bonds as a single series of tax exempt bonds. Reflecting market conditions, the County may divide the issue into two or more series, which may include taxable "Build American Bonds." The County also may consider purchasing bond insurance for all or part of the Series 2010B Bonds. Any such changes in structure or security will be reflected in the final Official Statement.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds derived from the sale of the Series 2010B Bonds are expected to be applied as follows:

	Series 2010B Bonds
SOURCES OF FUNDS:	
Aggregate Par Amount	$
Plus: Original Issue Premium	
Less: Original Issue Discount	
TOTAL SOURCES	$
USES OF FUNDS:	
Deposit to Series 2010B Account of the Construction Fund	$
Projects	
Payments of CP Notes	
Capitalized Interest[(1)]	
Deposit to Reserve Account	
Underwriters' Discount	
Costs of Issuance	
TOTAL USES	$

[(1)] Consists of capitalized interest on the Series 2010B Bonds through _____, 2011.

THE SERIES 2010B BONDS

General

The Series 2010B 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 2010B Bonds will be payable on April 1 and October 1 of each year, commencing [on April 1, 2011]. The Series 2010B Bonds will be subject to optional and mandatory redemption as described in this Official Statement. The Series 2010B 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 2010B 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 2010B Bonds are in book-entry only form, the registered owner of the Series 2010B Bonds will be Cede & Co. for all purposes of the Trust Agreement and the principal of and interest on the Series 2010B Bonds will be payable as described under "THE SERIES 2010B BONDS – Book-Entry Only System" below.

Redemption

The Series 2010B Bonds are subject to optional and mandatory redemption prior to their stated maturity, as set forth below.

Optional Redemption for the Series 2010B Bonds

The Series 2010B Bonds maturing on or before October 1, 20___ shall not be subject to optional redemption prior to maturity. The Series 2010B Bonds maturing on or after October 1, 20___ 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, 20___, at a

redemption price equal to 100% of the principal amount of such Series 2010B Bonds or portion of such Series 2010B Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.

Mandatory Redemption for the Series 2010B Bonds

The Series 2010B Bonds in the principal amount of $_____ maturing on October 1, 20__ and bearing interest at the rate of _____% per annum are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2010B Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
20__	
20__	
20__*	

* Payment at maturity

The Series 2010B Bonds in the principal amount of $_____ maturing on October 1, 20__ and bearing interest at the rate of _____% per annum are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2010B Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
20__	
20__	
20__*	

* Payment at maturity

The Series 2010B Bonds in the principal amount of $_____ maturing on October 1, 20____ are subject to mandatory redemption prior to maturity at a redemption price equal to the principal amount of such Series 2010B Bonds, plus accrued interest, without premium, in the following principal amounts on October 1 of the years set forth below:

Year	Amount
20__	
20__	
20__	
20__	
20__*	

* Payment at maturity

Notice and Effect of Redemption

In the event of a partial redemption of the Series 2010B Bonds, the Series 2010B Bonds may be redeemed in any order of maturity determined by the County. If less than all of the Series 2010B Bonds of any one maturity shall be called for redemption, the particular Series 2010B 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 2010B 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 2010B Bonds for redemption may be altered in order to conform to the requirements of DTC.

Notice of the proposed redemption of any Series 2010B Bonds shall be mailed, postage prepaid, to Cede & Co., as nominee of DTC, as registered owner of the Series 2010B Bonds, or, if DTC is no longer the registered

owner of the Series 2010B Bonds, to the then registered owners of the Series 2010B Bonds, as applicable, which notice shall be mailed at least 30 days prior to the date fixed for redemption (the "Redemption Date").

The Series 2010B 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 2010B Bonds. Any Series 2010B 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 2010B Bonds that the redemption did not occur and that the Series 2010B Bonds called for redemption and not so paid remain Outstanding.

No interest shall accrue after the Redemption Date of any Series 2010B Bonds if notice has been duly given as provided in the Trust Agreement and payment for such Series 2010B Bonds has been duly provided, and in such event, the Series 2010B Bonds (or portion of such Series 2010B 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 2010B 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 2010B 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 2010B Bonds. The Series 2010B 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 2010B Bond certificate will be issued for each maturity of each Series of the Series 2010B 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 2010B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2010B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2010B 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 2010B 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 2010B Bonds, except in the event that use of the book-entry system for the Series 2010B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2010B 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 2010B 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 2010B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2010B 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 2010B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2010B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2010B Bond documents. For example, Beneficial Owners of Series 2010B Bonds may wish to ascertain that the nominee holding the Series 2010B 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 Trustee 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 2010B 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 2010B 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 2010B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and interest payments on the Series 2010B 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 TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2010B 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 2010B BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS OF SERIES 2010B 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 2010B 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 2010B BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE HOLDERS OF SERIES 2010B BONDS OR REGISTERED OWNERS OF THE SERIES 2010B BONDS SHALL MEAN CEDE & CO., AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2010B 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 2010B Bond certificates, the County may notify DTC and the Trustee, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2010B Bond certificates. In such event, the County shall prepare and execute, and the Trustee shall authenticate, transfer and exchange, Series 2010B Bond certificates as requested by DTC in appropriate amounts and within the guidelines set forth in the Series 2010B Resolution. DTC may also determine to discontinue providing its services with respect to the Series 2010B 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 2010B Bond certificates as described herein. In the event Series 2010B Bond certificates are issued, the provisions of the Trust Agreement and the Series 2010B 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 2010B Bonds to any DTC Participant having Series 2010B Bonds credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2010B Bonds.

SECURITY FOR THE SERIES 2010B BONDS

Pledge of Net Revenues

The Series 2010B Bonds and all other Bonds and the interest on the Series 2010B Bonds and all other Bonds are payable solely from and are secured by a pledge of the Net Revenues of the Port Authority Properties. The security for the Series 2010B Bonds and all other Bonds does not include any mortgage or lien or any security interest in any 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 2010B 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 2010B 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 2010B BONDS. THE ISSUANCE OF THE SERIES 2010B 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 2010B 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 2010B 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. During the forecast period, the Traffic Engineers have assumed, based on input from the Aviation Department, 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 May 1, 2002. A total of 93 airlines were serving MIA during the month of October 2009, including 71 scheduled carriers and 22 charter carriers. As of October 31, 2009, 69 airlines have executed the AUA and are referred to in this Official Statement as the "Signatory Airlines." Sixty-one Signatory Airlines operated at MIA during the month of October 2009 and the remaining 32 airlines were charter, seasonal, scheduled international and scheduled domestic airlines that did not operate at MIA during the month of October 2009. [Update]

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"). 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, and any Signatory Airline among the top 10 airlines on the Aviation Department's landed weight list for the prior year is entitled to membership on the MAAC for the succeeding fiscal year if such Signatory Airline so requests. Any otherwise eligible airline may request permission of the MAAC to join the MAAC, and such request is entitled to the due consideration of the MAAC. Under the AUA, the MAAC is required to have at least 11 Signatory Airline representatives but not more than 21. 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. The selection process for the MIIs is described in "APPENDIX E – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT." 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). The forecasted passenger airlines' costs per enplaned passenger in the Traffic Engineers' Report during the forecast period are lower than $21 (expressed in 1998 dollars, using an assumed discount rate of 3% for future years). Therefore, based upon the current approved capital projects for the Airport as noted in the current Traffic Engineers' Report, the Department does not expect further levels of MII review as contemplated by the AUA to result from increases in costs per enplaned passengers. See "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS." The 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 maximum cumulative balance of $15,000,000. Both of these amounts are subject to adjustment annually up or down by the percentage change in the U.S. Bureau of Labor Statistics Consumer Price Index for All Urban Consumers for the Miami-Fort Lauderdale combined metropolitan service area. 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 the Cargo and Commercial Aviation Support Facilities (as defined in the AUA). There is no cap on the annual deposit to, or the balance in, the Performance Sub-Account.

As of March 31, 2010, the estimated balance in the Retainage Sub-Account was $_____ million and the balance in the Performance Sub-Account was $____ million. Currently, these two sub-accounts in the Aviation Capital Account 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 maintaining these accounts 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. 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 have provided 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."

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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 E – 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 maximum Principal and Interest Requirements for such Fiscal Year (or not less than whatever other applicable percentage amount may be established in the Trust Agreement or any other successor trust indenture entered into by the County) 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, payable to the Aviation Department by the 10th day of the month following the month in which the Aviation Activities Fees are incurred. 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 required to timely pay 105% of such fees. Any airline, however, whether a Signatory or Non-Signatory Airline, that does not comply with the AUCP is required to pay 150% of Aviation Activities Fees 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."

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 their rights and obligations regarding the use of such space.

Each TBLA sets forth two distinct contractual terms: (i) a general right of the airline for a period of five years from the execution date to nonexclusive use of runways, taxiways, roads of egress and ingress, service roads and such other facilities and improvements as may be then in existence or thereafter constructed for the use of persons lawfully using the Airport, including common use areas within the Terminal Building, and (ii) the right to lease specifically identified space located within the Terminal Building on a month-to-month term, with either party having the right to cancel the lease for such specific space on 30-days' notice and which lease automatically terminates upon termination of the TBLA unless extended by the parties on mutually satisfactory terms. The month-to-month lease term for specifically identified Terminal Building space permits the Airport and the airline tenant to have maximum flexibility by permitting the airline to increase or decrease or abandon 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. The current TBLAs expired in 2007, and the airlines have been operating on a month-to-month basis under the existing TBLAs since then. The Aviation Department expects that the airlines will approve and execute in the near future new TBLAs, substantially similar to the existing TBLAs. In effect,

under the payment and cancellation terms of the TBLA in conjunction with the payment obligations under the AUA that are limited primarily to landing fees for use, an airline may discontinue its operations at the Airport and terminate its obligations under the TBLA upon limited notice without substantial financial penalty.

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 each 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.

The amounts and the values of Reserve Facilities credited to the Reserve Account Requirement as of the date hereof are set forth in the table below:

Reserve Account Surety Policies
(as of March 31, 2010)

[Note - Based upon information as of January 14, 2010. Cash and Investments and Total - Cash and Value of Credited Sureties will be updated as of March 31, 2010.]

Provider	Expiration Date	Surety Amount	Value Credited to the Reserve Account Requirement
Financial Security Assurance	10/1/2036	$15,126,564.00	$15,126,564.00
Financial Guaranty Insurance Corporation	10/1/2035	7,156,087.38	0
MBIA Insurance Corporation	10/1/2024	6,763,107.75	0
Financial Guaranty Insurance Corporation	10/1/2037	6,897,437.50	0
CIFG Assurance North America, Inc. (1)	10/1/2038	3,332,670.17	0
Syncora Guarantee, Inc. (1)	10/1/2040	8,278,287.00	0
Assured Guaranty Corp.	10/1/2038	6,802,095.00	6,802,095.00
Financial Security Assurance	10/1/2041	8,836,139.00	8,836,139.00
Total Value Credited to the Reserve Account Requirement (1)			$ 30,764,798.00
Cash and Investments			[124,262,535.07]
Total - Cash and Value of Credited Sureties			**[$155,027,333.07]**

(1) The value of the Reserve Facilities provided by Financial Guaranty Insurance Corporation, MBIA Insurance Corporation, CIFG Assurance North America, Inc. and Syncora Guarantee, Inc. has been excluded from the total value of the Reserve Facilities credited to the Reserve Account Requirement due to such providers' credit ratings falling below the required Threshold. As a result, the aggregate value credited from Reserve Facilities as of March 31, 2010, was $30,764,798.00, rather than the aggregate face amount of the Reserve Facilities, $63,192,387.80.

Upon delivery of the Series 2010B Bonds, the Reserve Account Requirement for all Bonds Outstanding, including the Series 2010B Bonds, will be $_____. Upon deposit of $_____ from proceeds of the Series 2010B Bonds, the Reserve Account will contain $_____ in cash and investments and $_____ in Reserve Facilities.

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 Series 2010B Bonds are being issued as Additional Bonds 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.

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 fourteen and one-half percent (14.5%) 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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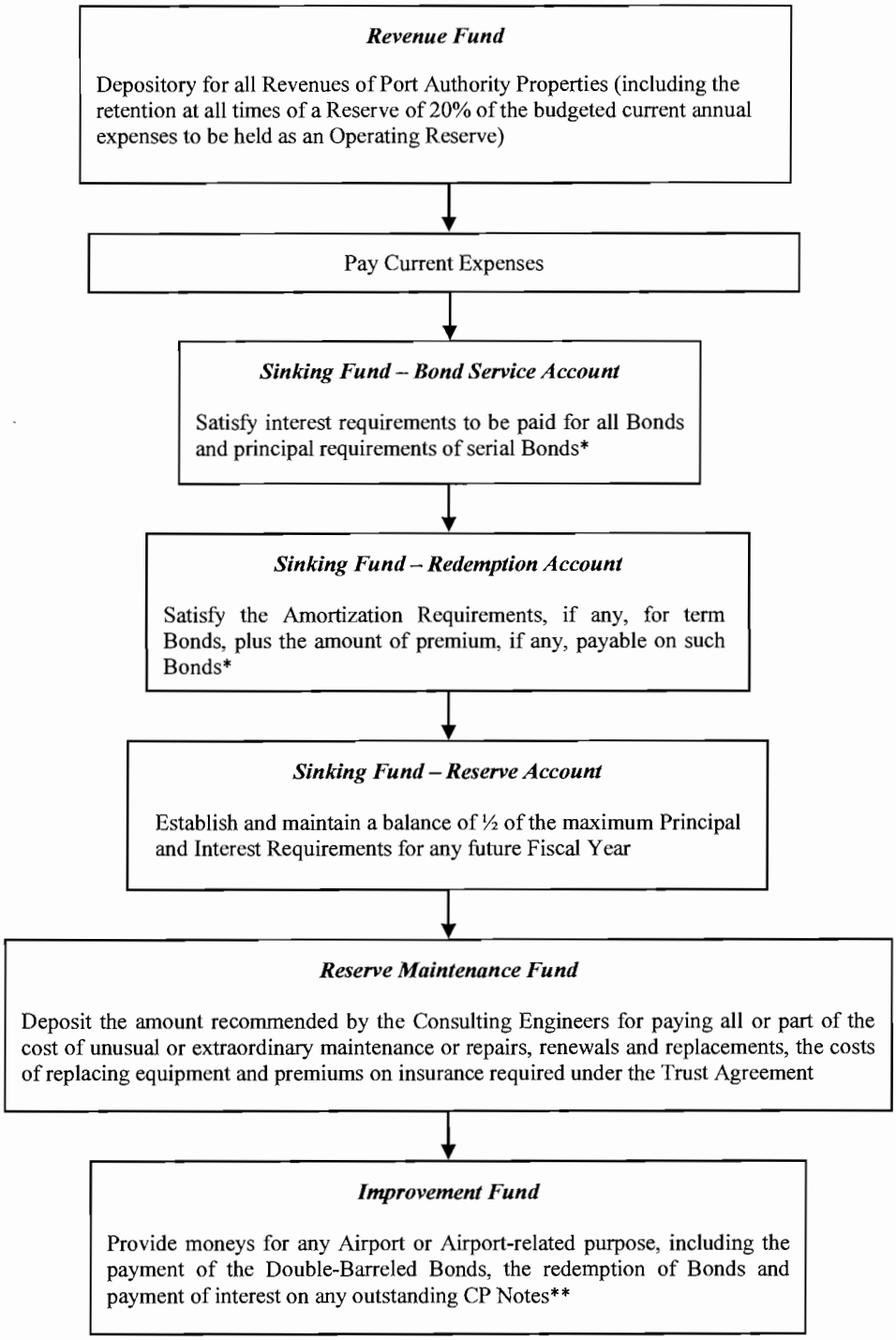
MONTHLY APPLICATION OF REVENUES UNDER THE TRUST AGREEMENT
PORT AUTHORITY PROPERTIES

The chart below summarizes the application of revenues under the Trust Agreement.



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.

CERTAIN INVESTMENT CONSIDERATIONS

Payment of the Series 2010B Bonds is dependent on the collection of Net Revenues adequate to pay debt service on the Series 2010B Bonds and all other Outstanding Bonds. Net Revenues consist of all Revenues of the Port Authority Properties in excess of Current Expenses, all as defined in the Trust Agreement. Accordingly such payment depends primarily on the generation of Revenues by the Airport and other Port Authority Properties adequate to pay all Current Expenses of such properties plus the debt service on Outstanding Bonds. The generation and collection of such revenues is influenced by a wide range of factors affecting operations at the Airport, including the condition of the air transportation industry, security requirements affecting both the Airport and airlines, and local, national and international economic conditions. Certain of these factors are discussed below.

Factors Affecting Air Transportation Industry

General

The generation of Net Revenues is heavily dependent on the volume of the commercial flights, passengers and cargo at the Airport. Such volume reflects a wide range of factors including (1) local, national and international economic conditions, including international trade volume, (2) regulation of the airline industry, (3) passenger reaction to disruptions and delays arising from security concerns, (4) airline operating and capital expenses, including security, labor and fuel costs, (5) environmental regulations, (6) the capacity of the national air traffic control system and (7) currency values. The airline industry has faced and continues to face severe economic challenges, reflecting both increased costs and overall economic conditions. Results have included major airline financial losses and in some cases bankruptcy. Increased costs and other factors arising from the September 11, 2001 terrorist attacks and related regulatory reaction are discussed separately below in "Security Requirements."

The Report of the Traffic Engineers included as Appendix A takes into account certain of the factors affecting the air transportation system as set forth in such report. As noted therein, the degree and duration of such effects on individual traffic segments vary. See "REPORT OF THE TRAFFIC ENGINEERS" and "APPENDIX A — REPORT OF THE TRAFFIC ENGINEERS."

Particular factors are discussed below.

Airline Economic Considerations

The financial strength and stability of airlines serving the Airport will affect future airline traffic. While the airline industry overall was profitable in both 2006 and 2007, it suffered substantial losses in the previous five years and in 2008 and 2009. To mitigate these losses, 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, merging or liquidation of one or more of the large network airlines could drastically affect air service at many connection hub airports, offer business opportunities for the remaining airlines and change air travel patterns throughout the U.S. aviation system.

The current economic downturn has reduced air traffic as a result of a decline in business activities, job losses, reduced discretionary income and consumer spending and has put pressure on businesses to find alternatives to air travel. For additional discussion of the factors affecting both domestic and international traffic see "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

Mergers have offered another method of addressing current economic uncertainties. The merger of Delta Air Lines with Northwest Airlines is expected to have only a minimal impact, if any, on passenger traffic at MIA. The share of total enplaned passengers at the Airport accounted for by the two airlines has declined over the past 10 years, from 7% in FY 1998 to 5% in FY 2008. [update] Delta has stated its intent to maintain all of the airport

hubs operated by the two merging airlines. Further airline consolidation could affect future passenger traffic at the Airport.

American Airlines

In 2008, American Airlines was the largest international carrier in the world as measured in terms of enplaned passengers. By using the Airport as a major connecting international hub within its route system, American Airlines is the predominant carrier at the Airport. Including the operations of its affiliate, American Eagle, American Airlines accounted for approximately 69% of the enplaned passengers at the Airport and approximately 38% of Revenues during the fiscal year ended September 30, 2009. During the fiscal year ended September 30, 2008, American Airlines and American Eagle accounted for approximately 69% of the enplaned passengers at the Airport and approximately 35% of Revenues. [Update]

AMR Corporation ("AMR"), the parent company of American Airlines, reported a net loss of $359 million for the third quarter of 2009. The loss was $265 million excluding special items, primarily non-recurring charges of approximately $94 million related to the sale of aircraft and early grounding of leased aircraft. This compares to a $31 million profit for the third quarter of 2008, although with the exclusion of special items, the third quarter of 2008 produced a net loss of $374 million. Operating expenses declined in the third quarter of 2009 as compared to the third quarter of 2008, reflecting primarily a decline in the cost of jet fuel per gallon from $3.57 in the third quarter of 2008 to $2.07 in the third quarter of 2009. This resulted in a reduction of fuel costs of nearly $1.1 billion comparing quarter to quarter. For the third quarter of 2009, American Airlines' mainline load factors was 83.9%, up 1.8% from the third quarter of 2008. [Update]

A future bankruptcy or other material financial decline of American Airlines could adversely affect traffic at the Airport, especially to the extent that hub operations at other airports replace connections currently made at MIA.

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. The significant and prolonged increases in the cost of aviation fuel have materially increased airline operating costs. See "APPENDIX A – REPORT OF THE TRAFFIC ENGINEERS."

International Traffic

International traffic constitutes almost 50% of the Airport's passenger traffic. Since 2002, the annual growth in international passengers has been 3.1%, primarily representing the strength of the Central and South American passenger markets. [?] However, the Airport has experienced increasing competition for both international and domestic passenger traffic from other regional and international gateway airports in recent years. See "AIRPORT TRAFFIC ACTIVITY" and "AVIATION DEPARTMENT FINANCIAL INFORMATION – Historical Financial Results."

The adverse economic conditions affecting domestic air travel have also affected international traffic. In addition, health crises can adversely affect international traffic. Most recently, an outbreak of H1N1 virus in Mexico and cases reported in the U.S. have caused travel concerns that could adversely affect international traffic at the Airport.

Airline Bankruptcies

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. In addition, 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. Airlines operating at MIA typically have two primary payment obligations: (1) rent and use charge payments under a Terminal Building Lease Agreement ("TBLAs") and (2) landing fees and aviation charge payments under the Airline Use Agreement ("AUA"). The TBLA gives an airline a five-year right to make use of space somewhere in the Terminal Building and a month-to-month right to lease specifically identified premises in the Terminal Building, with the month-to-month portion of the TBLA being subject to cancellation by either party upon 30 days' notice. The TBLAs also require the airlines to pay annually-adjusted rents for use of the Terminal Building monthly in advance and other charges, including 7% of their gross revenues for general aeronautical handling services to other airlines under the terms of a separate permit, monthly in arrears. Thus, for an airline desiring to keep operating at the Airport while it is in bankruptcy, little is gained by an airline's rejecting its TBLA which gives the airline the right to use the Terminal Building at a cost that is the same for all similarly situated airlines. The TBLAs expired in 2007 and, as permitted by Florida law, the airlines have been operating on a month-to-month basis as hold-over tenants under the existing TBLAs. The Aviation Department expects that the airlines will approve and execute in the near future new TBLAs, substantially similar to the existing TBLAs. The AUA sets forth the conditions under which an airline can operate at the Airport and requires the airlines to pay the annually-adjusted level of Landing Fees and aviation charges for its use of the Airport, based on its level of activity with the charges being the same for all similarly-situated airlines. More importantly, the AUA 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. As is the case with TBLAs, 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, inasmuch as to do so would eliminate the vitally-important credit program for the airline. Moreover, rejection gains the airline nothing economically, inasmuch as the County separately requires the airline on a regulatory basis to pay the same charges imposed under the AUA. To date, with the exception of one airline with minimal activity, no Signatory Airline that has filed for bankruptcy protection has sought rejection. There can be no assurance, however, that an airline in bankruptcy will not seek to avoid its contractual obligations under its TBLA or the AUA, but even if an airline should do so, the airline is subject to regulatory obligations imposed by County law that require the rejecting airline to pay the same charges reflected in the rejected agreements for the airline's continued use of the Airport. See "SECURITY FOR THE SERIES 2010B BONDS – Airline Use Agreement" and "APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE AIRLINE USE AGREEMENT."

For a description of the possible effects of airline bankruptcies on PFC collections see below "PFC Collections – Possible Bankruptcy Effects."

Additional Information on Airlines

Certain of the Signatory Airlines under the AUA and other airlines operating at the Airport (or their respective parent corporations) file reports and other information (collectively, the "SEC Reports") with the United States Securities and Exchange Commission ("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 100 F Street, N.E., Washington, DC 20549, and at the SEC's regional offices at 175 W. Jackson Boulevard, Suite 900, Chicago, Illinois 60604 and 3 World Financial Center, Room 4300, New York, New York 10281. 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 Airlime 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.

PFC Collections

General

Pursuant to federal authorization, the Airport collects passenger facility (or passenger facilities) charges ("PFCs") on each qualifying enplaned passenger. The Airport currently collects a PFC of $4.50 per passenger, subject to certain exceptions. The applicable airline collects the PFCs and remits them monthly to the Airport net of $0.11 per PFC administrative charge.

PFCs constitute a substantial portion of revenues collected by the Aviation Department, providing $60.8 million and $58.5 million for the fiscal years ending September 30, 2008 and 2009, respectively. [Confirm with audit] Such collections are subject to federal regulation and control, and their volume is affected by the economic and other conditions affecting passenger volume at the Airport.

Use of PFCs; Rate Covenant

PFCs provide a portion of the funding for the CIP, including the North Terminal Program. Also, while PFCs do not constitute Revenues under the Trust Agreement and are therefore not pledged to the payment of the Bonds, the Aviation Department anticipates continuing its practice of depositing PFC revenues into the Sinking Fund's Bond Service Account and Redemption Account each year to reduce the Principal and Interest Requirements on the Bonds. Such deposits effectively reduce the amount of Revenues that must be collected to comply with the rate covenant under the Trust Agreement. The Report of the Traffic Engineers, attached as APPENDIX A, makes certain assumptions regarding the collection and use of PFCs as set forth therein. See also "SECURITY FOR THE SERIES 2010B BONDS – Rate Covenant" and "FUNDING SOURCES FOR THE CIP – Passenger Facility Charges."

Possible Bankruptcy Effects

Applicable federal legislation and regulations provide that PFCs collected and held by an airline constitute a trust fund for the benefit of the applicable airport and create additional protections intended to ensure the regular transfer of PFCs to airports in the event of an airline bankruptcy. There can be no assurance, however, that during the bankruptcy of any airline, payment to the Airport of PFCs will not be delayed or blocked.

Federal Legislation [Update]

Federal legislation affects the funding that the Airport receives, its PFC collections and the operational requirements imposed on it. Congress has not passed a multi-year reauthorization bill for the Federal Aviation Administration ("FAA") since the last legislation expired on September 30, 2007. Instead, it has approved a series of short-term extensions. In December 2009, Congress approved and the President signed another extension of the Airport Improvement Program ("AIP") through March 31, 2010 and increased the AIP contract authority to $2 billion — half of the $4 billion included for AIP for FY 2010 in the version of the FAA reauthorization bill passed by the House earlier in FY 2010.

In May 2009, the House passed the FAA Reauthorization Act of 2009, which would raise the cap on PFCs from $4.50 to $7 and increase AIP funding by $100 million per year, starting from $3.9 billion in FY 2009. The bill also includes a provision that could force airports to comply with National Fire Protection Association ("NFPA") standards. If enacted, MIA would need to build a new fire station at an approximate cost of $17 million and purchase a 4,500 gallon Aircraft Rescue and Firefighting unit at a cost of $1.6 million. Also, an additional eight fire fighters would be needed to comply with the new standards at a cost of approximately $750,000 annually.

In July 2009, the Senate Commerce, Science and Transportation Committee approved a two-year FAA reauthorization bill, the FAA Air Transportation Modernization and Safety Improvement Act. The bill does not include the PFC increase authorized in the House bill. It also does not include the provision on NFPA standards. The bill is pending Senate approval, after which a House/Senate conference committee will attempt to resolve differences in the two bills and send the reconciled bill back to both the House and the Senate for final action.

The American Recovery and Reinvestment Act of 2009 (the "Recovery Act"), which became law in February 2009, includes $1.1 billion in stimulus AIP funding through FAA discretionary grants with priority for projects expected to be completed within two years of enactment and serves to supplement but not supplant planned expenditures. There are currently no Recovery Act stimulus projects being funded for the Aviation Department.

Provisions affecting security costs are discussed in the following subsection.

Airport Security Requirements

General

Legislative and regulatory requirements since 2001 have imposed substantial costs on the Airport and its airlines relating to security, some of which are discussed below. Federal legislation created the Transportation Security Administration (the "TSA"), an agency within the Department of Homeland Security ("DHS"). Mandates of federal legislation, TSA and DHS have imposed extensive new requirements related to, among other things, screening of baggage and cargo (including explosive detection), screening of passengers, employees and vehicles, and airport buildings and structures.

The Federal Aviation and Transportation Security Act ("ATSA") makes airport security the responsibility of the TSA. The Homeland Security Act of 2002 (the "HSA") and subsequent directives issued by DHS have mandated, 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.

ATSA also mandates additional airport security measures, including: (1) screening or inspection of all individuals, goods, property, vehicles and equipment before entry into secured and sterile areas of the airport, (2) security awareness programs for airport employees, (3) 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, (4) deployment of sufficient EDS for all checked baggage, and (5) operation of a system to screen, inspect or otherwise ensure the security of all cargo to be transported in all-cargo aircraft. Due to a lack of TSA funding, airports have borne some or all of 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.

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. The Aviation Department estimates that the North Terminal EDS system will cost approximately $78.1 million, of which TSA is funding $54.4 million. The Aviation Department believes that the federal participation rate for the North Terminal EDS installation project should be higher and is working with members of Congress on legislation that would direct TSA to reimburse the Aviation Department for an additional amount of approximately $11 million. There can be no assurance, however, that such efforts will be successful.

The TSA also has issued additional unfunded mandates through TSA security directives including: (1) transmittal to the TSA of personal information on all employees holding, applying for or renewing 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, (2) performance of inspections of all vendors and vendor products entering the sterile concourse areas of the airport, (3) reduction in the number of airport employees authorized to escort visitors in the secured areas, (4) annual audits of all airport-issued identification media, (5) the implementation of a substantive training program for all persons designated as an authorized signatory in the Airport's identification media system, and (6) recording and retention of personal identification media used to obtain an airport-issued identification badge.

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.

Cargo Security

Both federal legislation and TSA rules have imposed additional requirements relating to air cargo. These include providing information for a central database on shippers, extending the areas of the Airport subject to security controls, and criminal background checks on additional employees, which inhibits the ability of operators to hire temporary workers during peak periods.

The TSA currently requires carriers to screen 50% of all loaded cargo on passenger airplanes; however, this requirement is expected to be increased to 100% by August 2010 [?]. The TSA is developing a Certified Cargo Screening Program ("CCSP") to develop a "supply chain-wide solution" to cargo security that will certify shippers to screen cargo earlier in the chain. The Airport currently is participating in phase one of the CCSP program.

TSA also has initiated an explosive detection canine program at the Airport dedicated to cargo screening. Currently the Airport has the largest TSA Canine Unit in the country. The Miami-Dade Police Department's Canine Unit also dedicates 25% of its operations to cargo screening. American Airlines, the Airport's largest carrier, is participating in a TSA pilot program to screen cargo utilizing explosive detection screening equipment.

Airport management believes it is well positioned to meet the new cargo screening requirements. A Cargo Security Consortium for the Airport involving the relevant agencies and business partners meets quarterly to discuss issues, and the TSA, both nationally and locally, has been working with airports and carriers to develop security options that meet the regulatory mandates while minimizing the adverse effect on air cargo operations.

Costs

The Aviation Department has included in its current budget funds for a substantial amount of the costs imposed by the requirements described above. The Fiscal Year 2010 operating budget includes approximately $13.9 million for security costs. To date, the Airport has been able to meet the additional financial burdens imposed by new security requirements, but the Aviation Department anticipates additional unfunded security directives that may impose substantial further costs. Such requirements may include access control at passenger screening exit lanes (currently done by TSA); biometric credentialing in employee screening and access control, and additional security requirements at the general aviation airports.

Airport Competition [Update]

The Airport competes with other airports for domestic and international passengers. The closest competing airport, and MIA's biggest competitor for domestic origin-destination ("O&D")* passengers, is Fort Lauderdale-Hollywood International Airport ("FLL"). Over the last 10 years, the average number of departing seats on jet flights to domestic destinations decreased 17% at MIA, while increasing 30% at FLL. FLL also has substantially more low-cost carrier service than MIA. Low-cost carriers accounted for 58% (7 million) of all domestic scheduled departing seats at FLL in Calendar Year 2008 (up from 30% in Calendar Year 2000), while low-cost carriers accounted for just 2% (210,000) of all domestic scheduled departing seats at MIA in Calendar Year 2008 (down from 3% in Calendar Year 2000). In Calendar Years 2006 through 2008, FLL averaged 4.2 million more outbound domestic O&D passengers per year than MIA. Average domestic airfares at MIA tend to be 20-30% higher than those at FLL, for trips of similar distance, due largely to the higher number of premium-fare passengers at MIA and the greater concentration of low-cost carrier service at FLL This low-cost carrier presence at FLL has put

* Origin-destination passengers begin or end their trips at an airport rather than connecting through the airport en route to their destination.

competitive downward pressure on domestic airfares at both airports such that, between Calendar Year 1998 and Calendar Year 2008, there was little net increase in the average domestic airfare paid at either airport. In the first half of Calendar Year 2009, average domestic airfares declined year-over-year at both airports; DOT airfare data increasingly understate the true cost of air travel, however, as they do not include ancillary charges (e.g., checked baggage fees), which were increasingly implemented throughout the industry in 2008 and 2009. The significant increase in low-cost carrier service and the associated relatively low fares charged at FLL are the major factors underlying the market share decline in domestic O&D passengers at MIA from 47.4% of the South Florida region in Calendar Year 1998 to 32.8% in Calendar Year 2008. In the first half of Calendar Year 2009, MIA's share increased somewhat relative to the same period of Calendar Year 2008.

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."

Matters Relating to the CIP

The CIP is a large and complex undertaking, and a number of factors can still affect both its cost and the completion date for its components. These factors, including various schedule delays, cost overruns and current contract disputes, are discussed in "CAPITAL IMPROVEMENT PROGRAM," especially in the subsections therein ["Terminal and Concourse Facilities Programs - *Baggage Handling System Delay and Cost"* and "Cost Increases, Claims, Delays and Other CIP Risks."]

Environmental Liabilities

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

Airport Insurance

The Aviation Department maintains insurance in accordance with industry standards, but the operations of the Airport create risks of significant losses that may not be fully covered by insurance (see "AIRPORT SYSTEM FACILITIES – Airport Insurance").

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AVIATION RELATED DEBT

Outstanding Bonds Under The Trust Agreement

Upon the issuance of the Series 2010B Bonds, the total aggregate principal amount of Outstanding Bonds under the Trust Agreement will be as set forth below. See also below "Double-Barreled Aviation Bonds."

Outstanding Bonds	Dated Date of Issue	Principal Amount Issued	Principal Amount Outstanding
Series 1997A Bonds[1]	June 1, 1997	$ 130,385,000	$ 10,250,000
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	145,515,000
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 2003D Bonds[1]	May 28, 2003	85,640,000	74,460,000
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	9,990,000
Series 2005A Bonds	November 2, 2005	357,900,000	357,900,000
Series 2005B Bonds[1]	November 2, 2005	180,345,000	154,155,000
Series 2005C Bonds[1]	November 2, 2005	61,755,000	40,710,000
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	354,705,000
Series 2007D Bonds[1]	December 20, 2007	43,650,000	35,840,000
Series 2008A Bonds	June 26, 2008	433,565,000	433,565,000
Series 2008B Bonds	June 26, 2008	166,435,000	166,435,000
Series 2009A Bonds	May 7, 2009	388,440,000	388,440,000
Series 2009B Bonds	May 7, 2009	211,560,000	211,560,000
Series 2010A Bonds	January 28, 2010	600,000,000	600,000,000
TOTAL		$5,963,975,000	$5,603,745,000

(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 currently has no Outstanding Bonds that are variable rate debt.

Double-Barreled Aviation Bonds

On March 4, 2010, the County issued its Double-Barreled Aviation Bonds (General Obligation), Series 2010 (the "Double-Barreled Aviation Bonds"), in the aggregate principal amount of $239,775,000. Debt service on the Double-Barreled Aviation Bonds will be secured by a pledge of both (1) Net Available Airport Revenues (as such term is defined below), a lien that is subordinate to the lien securing the Series 2010B Bonds, and (2) ad valorem taxes levied on all taxable property in the County. "Net Available Airport Revenues" is defined to mean any unencumbered funds held for the credit of the Improvement Fund created under the Trust Agreement after the payment of all obligations of the County pertaining to the County airports which are payable pursuant to, and subject to the restrictions of (i) the Trust Agreement, (ii) any Airline Use Agreement then in effect or (iii) any other indenture, trust agreement or contract.

Debt Service Schedule

The following table shows the annual Principal and Interest Requirements on all Outstanding Bonds, including the Series 2010B Bonds, as of the date of delivery of the Series 2010B Bonds for the Fiscal Years ending September 30, 2010 through the final maturity of the Series 2010B Bonds. The table does not include debt service on other Airport related debt.

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

Fiscal Year Ended September 30[1]	Principal and Interest Requirements on Outstanding Bonds[2]	Principal and Interest Requirements for Series 2010B Bonds	Total Aggregate Principal and Interest Requirements[2]
2010	$337,775,661		
2011	344,785,042		
2012	345,386,109		
2013	345,374,214		
2014	345,510,679		
2015	345,758,699		
2016	346,984,718		
2017	352,867,818		
2018	369,087,162		
2019	370,253,279		
2020	370,277,822		
2021	370,294,787		
2022	370,312,735		
2023	370,336,047		
2024	370,414,974		
2025	370,470,305		
2026	370,540,771		
2027	370,610,884		
2028	370,671,434		
2029	370,820,685		
2030	370,896,779		
2031	370,969,366		
2032	371,055,429		
2033	371,136,047		
2034	371,230,848		
2035	371,377,504		
2036	371,534,398		
2037	371,696,422		
2038	371,867,209		
2039	372,076,581		
2040	372,254,663		
2041	372,442,800		
TOTALS[2]	$11,667,071,869		

(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.

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The following table shows the annual Principal and Interest Requirements on the Double-Barreled Aviation Bonds for the Fiscal Years ending September 30, 2010 through the final maturity of the Series 2010B Bonds. The table does not include debt service on other Airport related debt.

MIAMI-DADE COUNTY AVIATION REVENUE BONDS
DOUBLE-BARRELED BONDS
PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ended September 30[1]	Principal and Interest On Double-Barreled Aviation Bonds
2010	$ 3,732,764
2011	11,485,427
2012	15,430,427
2013	15,431,527
2014	15,430,527
2015	15,431,277
2016	15,430,477
2017	15,432,087
2018	15,432,337
2019	15,430,837
2020	15,433,512
2021	15,433,512
2022	15,434,012
2023	15,430,512
2024	15,432,512
2025	15,430,262
2026	15,432,012
2027	15,431,762
2028	15,433,762
2029	15,432,012
2030	15,430,762
2031	15,431,087
2032	15,432,837
2033	15,431,837
2034	15,432,075
2035	15,434,750
2036	15,431,250
2037	15,430,500
2038	15,431,000
2039	15,431,250
2040	15,434,750
2041	15,429,750
TOTALS[2]	$478,173,416

(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

Pursuant to the Trust Agreement and the 1997 Authorization, the Board has previously authorized the issuance of CP Notes from time to time of up to $400 million outstanding aggregate principal amount at any time. The CP Notes consist of Aviation Commercial Paper Notes, Series A (AMT), and Aviation Commercial Paper Notes, Series B (Non-AMT). Payment of all outstanding CP Notes is also 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"). Proceeds of the CP Notes have been used to fund on a short-term basis costs of the CIP pending permanent financing with the proceeds of Bonds issued under the Trust Agreement. Interest on the CP Notes and certain related interest obligations under the standby letter of credit are secured by amounts in the Improvement Fund and by proceeds of Bonds issued to refund or pay CP Notes. The County expects to pay all the CP Notes currently outstanding with the proceeds of the Series 2010B Bonds, [and to discontinue the program]. [update] See "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 by the Aviation Department to the County on a subordinate basis to the Bonds and the Reserve Maintenance Fund deposit. As of September 30, 2009, the outstanding principal on the MIA Portion was $1.6 million.

FDOT State Infrastructure Bank Loan

On February 6, 2007, the Board approved the construction of the NW 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 agreed to construct the Viaduct Project. The loan closed on March 21, 2007. The Viaduct Project is now in construction. 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 NW 25th Street congestion.

The FDOT loan is 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 County has paid $5 million for the first debt service payment, which was due October 1, 2009, and intends to earmark approximately $5 million per year over the balance of the eleven year life of the loan (last payment is October 1, 2019) from the Aviation Capital Account to pay FDOT. This payment is subordinate to all other Aviation Department funding requirements, including all other debt to be paid from the Improvement Fund.

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 center ("RCC") adjacent to the Airport. The revenues pledged for repayment of the loan are the proceeds of the Customer Facility

Charges 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 March 31, 2010, such bonds were outstanding in the aggregate principal amount of $_____. 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."

Possible Future Indebtedness; Other Capital Expenditures

The Aviation Department currently has no plans to incur substantial indebtedness other than in connection with completion of the CIP. See "FUNDING SOURCES FOR THE CIP." The Aviation Department, however, has identified a number of potential capital projects related primarily to maintenance of existing assets and safety and security programs. The current project list includes improvements for runways, aprons, and roadways and replacement of an existing automatic people mover system. A significant portion of the costs of the projects identified are eligible for funding by state and/or federal grants, though there can be no assurance that any such grants will be forthcoming. Such projects have not been prioritized by staff or approved internally or by the Board.

Additional indebtedness may be required to finance on a temporary or permanent basis costs of such projects if they are approved, as well as other capital expenditures appropriate for the maintenance of a large international airport. Any such indebtedness would likely be secured on a parity basis with the Series 2010B Bonds and other Bonds Outstanding under the Trust Agreement and could affect coverage under the rate covenant in the Trust Agreement. The incurrence of any such indebtedness as parity debt would be subject to the requirements for the issuance of Additional Bonds. See "SECURITY FOR THE SERIES 2010B BONDS – Issuance of Additional Bonds."

AIRPORT SYSTEM GOVERNANCE AND MANAGEMENT

Governance

The Aviation Department is a department of the County, which is 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 director of the County Finance Department and the executive staff and selected division managers of the Aviation Department follow.

Carter Hammer, MBA, MACC, AIF
Miami-Dade County Finance Director

Carter Hammer was appointed Finance Director in December 2008. As Finance Director, Mr. Hammer is responsible for the capital financing activities of all County departments and for reviewing the structure and issuance of the County's debt. Treasury responsibilities include cash management, review of the County's investment policy and investment of County funds. Tax collection responsibilities include timely collection and distribution of real estate and personal property taxes due to the County, municipalities and other government agencies located within the geographical boundaries of the County. Mr. Hammer is also responsible for the coordination and issuance of the County's financial statements in accordance with the accepted governmental accounting principles.

Prior to joining the County, Mr. Hammer served as Chief Financial Officer of the Palm Beach County Clerk's Office managing an investment portfolio of over $2 billion and supporting a AAA rated County debt portfolio of almost $2 billion. In the private sector, he held multiple positions as chief financial officer, controller, and management accounting related positions for companies such as Motorola, Philips, and Park-Ohio. Mr. Hammer holds a Masters of Accounting and a Masters in Business Administration from Florida Atlantic University in Boca Raton as well as a Bachelors of Business Administration from the University of Miami. He currently is pursuing his Certified Public Accountant and Certified Financial Analyst certifications.

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 served in progressively senior positions at FDOT, including eight years as FDOT's District Six Secretary for Miami-Dade and Monroe Counties. 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. Mr. Abreu was named one of "The 100 Most Influential Hispanics" by Hispanic Business magazine in 2003 and 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, Ms. Lee 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. Ms. Lee 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. Ms. Lee is an honors graduate of the University of Miami and became a certified public accountant in Massachusetts in 1987.

Sergio San Miguel
Aviation Department, Capital Finance Manager

[To be provided]

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 NTD Program, which will expand and renovate concourses A, B, C and D, at MIA into a state-of-the-art, 1.3 mile-long linear terminal. Prior to joining the Aviation Department, Mr. Arteaga was the Airport Division Director for the Miami-Dade Building Department from 2001 to 2005. Mr. Arteaga has a broad range of experience as a professional architect, urban planner, general contractor, design-builder 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 (including his own).

Mr. 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 the best town landmark for the Bell Tower at Weston Town Center in Ft. Lauderdale; Urban Development of the Year for North Satellite City in Santa Cruz, Boliva; and Best Master Plan Award from the Association of Building Code Officials in 2004. Mr. Arteaga is a Registered Architect, Urban Planner, Certified General Contractor, Threshold Building Inspector, Building Plans Examiner, Building Inspector, Certified Building Official and a LEED accredited professional. He holds bachelor's and master's degrees in Architecture, a master's degree in Urban Planning and an international degree in Urban Design.

Aviation Department, Deputy Aviation Director for Operations

The Deputy Aviation Director for Operations is responsible for oversight of all County owned airports, Airside, Landside & Terminal Operations, Administration, Information Systems, Noise Abatement, Facilities Management, Security, Communications, Cultural Affairs, and the Airport's Police and Fire-Rescue Departments. The previous Deputy Aviation Director, Max Fajardo, retired on September 30, 2009. The Aviation Department is finalizing a timetable for filling the position.

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

Miguel A. Southwell is the Deputy Director of Business for the County's system of airports that includes Miami International and four general aviation (GA) airports. His responsibilities include generating revenue from a variety of airport business operations that include: Real Estate Leasing and Management; Food, Beverage and Retail Concessions; Parking; the Miami International Airport Hotel; and new Air Service Development. He joined the Aviation Department in July 2001. Before joining the Aviation Department, Mr. Southwell spent 11 years at Hartsfield-Jackson Atlanta International Airport in numerous positions, including Interim Assistant Director of Business and Finance. He also served for five years as an Adjunct Professor of Aviation at Georgia State University.

Prior to his airport career, Mr. Southwell worked in the banking and airline industries. He was a Regional Branch Manager and Assistant Vice President of Willamette Savings in Portland, Oregon. Also, he worked with British West Indian Airways in Antigua, British West Indies.

Mr. Southwell holds a bachelor's degree in management from Portland State University and a master's degree in international business from City University of New York.

Among the international and civic organizations in which he serves, Mr. Southwell is a World Governing Board member of Airports Council International (ACI) and President of ACI - Latin America and the Caribbean

Region. ACI is the five-region official association of airports around the world. He is also a member of the Executive Committee of the Beacon Council, Miami-Dade County's economic development agency, and a Board member of the Greater Miami Convention & Visitors Bureau.

Sunil Harman
Aviation Department, Acting Assistant Director of Capital Facilities Development

Sunil Harman is currently the Acting Assistant Aviation Director of Capital Facilities Development and is responsible for overseeing the Facilities Development and Civil/Environmental Engineering Divisions. He is responsible for managing capital facilities development, including planning, programming, design and construction of all projects other than North Terminal. Mr. Harman has more than 22 years of experience in the aviation industry, including airport planning and development and airline passenger and air-cargo operations.

Mr. Harman has a bachelor of science degree in Aviation Administration and a master's degree in Aviation Management from Embry-Riddle Aeronautical University, Daytona Beach, Florida.

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. Its close in-city location provides convenient and immediate access to the Greater Miami area.

During calendar year-to-date, January through August 2009, a total of 23,159,546 passengers traveled through MIA, of which 10.8 million or 47% were international, and 12.3 million or 53% were domestic. MIA maintains one of the highest international to domestic passenger ratios of any U.S. airport, supported by South Florida's culturally diverse population and international tourist destination status. The Airport supports multiple airline and multiple daily frequencies to virtually every capital and secondary city/business center in the Latin American/Caribbean region. According to the Airports Council International, MIA in FY 2008 ranked 29th worldwide and 15th nationwide in terms of total passengers (both arriving and departing). [update]

MIA 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. The North, Central and South Terminal additions provided by the CIP are adding more than 4 million square feet to the pre-existing 3.5 million square feet.

Terminal Building

This subsection describes terminal facilities in operation as of March 31, 2010. For a discussion of terminal facilities under construction, see "CAPITAL IMPROVEMENT PROGRAM."

As of March 31, 2010, the Terminal Building was a single horseshoe-shaped building consisting of the North Terminal (Concourse D), Central Terminal (Concourses E/Satellite, F and G) and South Terminal (Concourses H and J) (Concourse A, B and C were absorbed into Concourse D in [insert date], September 30, 2004 and [insert date], respectively). The six concourses (D, E/Satellite, F, G, H and J) have approximately 102 loading bridge gates plus 3 gates used for ground load operations for commuter flights. As of March 31, 2010, Concourse D had [26] gates, E had [18] gates, F had [19] gates, G had [11] gates (plus [3] ground load), H had [13] gates, and J

had [15] gates. A map of the Airport is below. On October 31, 2007, the Concourse B Federal Inspection Services ("FIS") was permanently closed. A new FIS is being constructed in the area of Concourse D. The first level of the Terminal Building 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 522 ticket positions, the majority of which had common use equipment as of June 30, 2009 [?]. 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.

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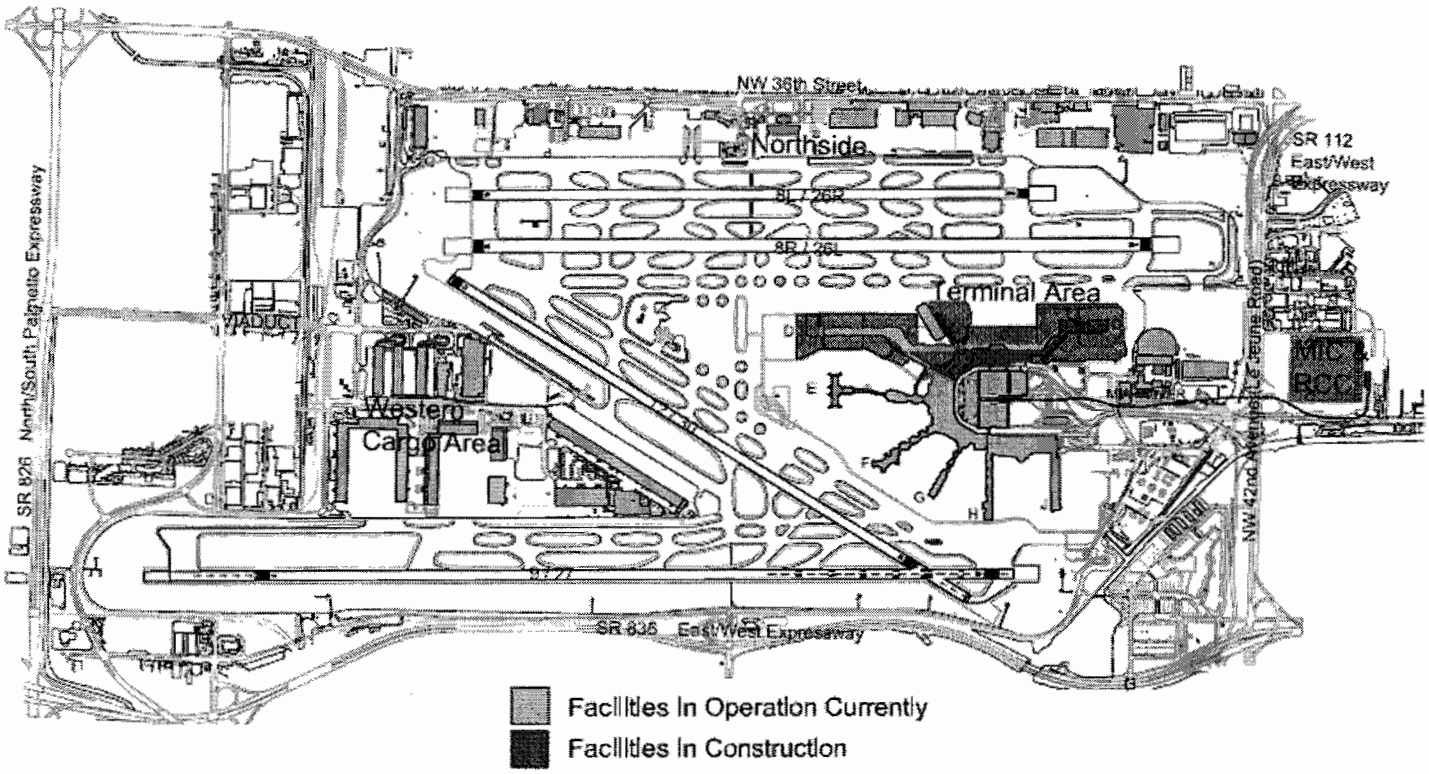


MIAMI INTERNATIONAL AIRPORT ***AIRPORT LAYOUT***

MIAMI-DADE AVIATION DEPARTMENT

Commercial Operations Facilities at the Airport

As of March 31, 2010, the Terminal Building had [132] permanent and [29] temporary concession locations occupying approximately [172,606] 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, baggage wrap machines, luggage carts, baggage checkroom, and the Hotel. The Aviation Department currently operates two clubs (known as Club America) totaling 17,220 square feet. Club America accommodates approximately 25 member airlines that do not have their own club facilities and wish to offer their first class and business 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. [update]

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 is created with a larger variety of concessionaires within each category of products or services. 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 and The Hudson Group and Newslink/Adler were also awarded agreements in the North Terminal. 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. 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 a business center. Of the 43 permanent concession locations, [35] locations have opened. The remaining locations will be open by the end of the fourth 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. Planning is under way to ensure concurrent opening of concession services with the gate openings. One final concession solicitation is being prepared for issuance so that the concession openings will coincide with the opening of the final phase of the North Terminal in the fall of 2010.

During FY 2009, concessions totalling [26,402] 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 consolidated Rental Car Center (the "RCC"). The RCC is currently under construction at the off-Airport Miami Intermodal Center (the "MIC") site and is scheduled to open in Spring 2010. The RCC is expected to be connected to the Airport by the MIA Mover from the MIC to a location between the Airport's Dolphin and Flamingo parking garages. The MIC will be accessible to the Terminal Building by shuttle bus between the RCC's opening and the commencement of MIA Mover operations, now scheduled for September 2011 [?]. (See "AIRPORT SYSTEMS FACILITIES — Roadway Access to MIA" for a description of the MIC and "CAPITAL IMPROVEMENT PROGRAM — Landside Programs - MIA Mover Program" for a description of the MIA Mover.

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. Life code upgrades completed in 2007 and 2008 afforded the operator the opportunity to upgrade the hallway and room interiors with new wallpaper, draperies, carpet and furniture. Room occupancy during the reconstruction was 100% of rooms actually available due to the fact that approximately half of the rooms were under construction and/or renovation. Occupancy with the North and South Tower in service averaged ___% through March 31, 2010. 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 systems. 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, and located 800 feet south of Runway 8L/27R with a taxiway separating them, runs east-west and is 10,500 feet long and 200 feet wide. The south parallel east-west Runway 9/27, more than a mile to the south of Runway 8R/26L, is 13,000 feet long and 150 feet wide. The diagonal northwest-southeast Runway 12/30 is 9,355 feet long and 150 feet wide and is used sequentially with the parallel runways during easterly operations with the application of Land-and-Hold-Short procedures on the longer Runway 9/27 permitting converging landings. These runways are capable of handling any size commercial passenger or cargo aircraft planned or currently in use, with Runway 8R/26L and 9/27 capable of handling the Airbus A380 and the Boeing 747-8. MIA's four-runway layout permits peak hour aircraft movements of up to 149 flight operations per hour during optimal weather conditions.

The four runways are constructed with bituminous asphalt surfacing, over a compacted lime rock base sub-grade, 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 optimal wet condition braking performance.

To minimize take-off delays, all runways are supplemented at each end with large holding aprons, which permit the bypassing of most aircraft facing delay by other departing aircraft except in the case of the very large aircraft, including the Airbus A380 and the Boeing 747-8. A system of numerous high-speed exits (turnoffs) from the runways has been provided, permitting landing aircraft to make smooth exits from the runways to the taxiway system, minimizing runway occupancy times and 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 for all but the largest aircraft 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 public 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 is located in a remote area of the Airport near the employee parking, and offers 600 public parking spaces with free shuttle service to the Terminal Building.

As of March 31, 2010, the Airport had [8,650] 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 is temporarily being operated at long-term parking rates, while [129 of the 348] parking spaces are being utilized as a staging area for the construction of the automated people mover station. 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 are to be completed by the end of calendar year 2009. [?] Pay On Foot will allow patrons to pay for parking prior to exiting the collection plaza, and SunPass is FDOT's prepaid toll program, which patrons will be able to use to expedite their exit at the collection plaza through the use of transponders. MasterCard has agreed to install (at its expense) new readers to support the PayPass or other credit card programs. PayPass is MasterCard's "contactless" way to pay by simply tapping the PayPass card at the point of service device, which then processes payment without further interaction. This service is anticipated to speed up the exit process. It is anticipated that more credit card and SunPass usage will result in the need for fewer cash lanes and reduced labor expenses.

Roadway Access to MIA

The primary ingress and egress routes for passengers and visitors to MIA are (1) from LeJeune Road (NW 42nd Avenue, the eastern geographic boundary of the Airport) to NW 21st Street, and (2) the Dolphin Expressway - SR 836 (the southern boundary of the Airport) to LeJeune Road and (3) a direct connection to Interstate I-95 from the Airport Expressway State Road 112 (SR 112) with dedicated ramps from the North, South and East all leading to the Terminal Building and the revenue parking Central Collection Plaza via the MIA access roadway "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.

Airport roadway access infrastructure that is part of the CIP includes the Central Collection Plaza and the Terminal South Drives Extension Projects, both of which were completed in 2003. The Central Collection Plaza provides a centralized point of entry and exit from the revenue parking garages with an automated payment 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 accessing the new terminal and exiting the Airport.

Other Airport surface access improvements have some CIP contributions but are primarily funded by entities other than the County to enhance the surface accessibility and functionality of roadways serving the Airport and include the Airport's interface with the Rental Car Center (RCC) and the transit oriented Miami Intermodal Center (MIC), and improved ingress and egress for both passengers and cargo both on the east (terminal) and west (air-cargo terminus) sides of the airport. Significant access improvements include:

- FDOT and the Miami-Dade County Expressway Authority ("MDX") are funding several projects to enhance access to the Airport from adjoining roads. This includes completed projects such as the widening of LeJeune Road (Northwest 42nd Avenue), and direct connect ramps from the Airport to State Roads 836 and 112. On-going projects include the RCC, the MIC core building, widening the

Northwest 25th Street air-cargo corridor at-grade and constructing a dedicated elevated cargo trucks only viaduct (the "Viaduct East Project") from the MIA cargo area, the rebuilding of the SR826/SR836 Interchange, and the SR 826/Northwest 36th Street Interchange. Currently, there is no funding source to implement the second and final phase of the Viaduct Project extending the viaduct westward over the Palmetto Expressway to just east of NW 82nd Avenue (the "Viaduct West Project"). However, with the enactment of the Recovery Act, the Aviation Department is seeking to qualify the Viaduct West Project for a discretionary USDOT grant under the Transportation Investment Generating Economic Recovery (TIGER) program, under *P.L. 111-5, The American Recovery and Reinvestment Act of 2009*. *See* "DEVELOPMENTS AFFECTING THE AIR TRANSPORTATION SYSTEM – Federal Legislation."

- The estimated $97 million capacity improvements of the primary access to the Airport's passenger terminal, known as the "MIA Central Boulevard Widening, Re-alignment and Service Loop Project," is needed to balance MIA's terminal roadway system with the Airport's increased airfield and terminal capacity. It will be designed and constructed by MDX at no cost to the Aviation Department. That roadway system, mainly consisting of the Central Boulevard, is currently adequate but is anticipated to become inadequate in the foreseeable future. A Joint Participation Agreement between MDX and the Aviation Department was approved by the MDX Board on June 30, 2009, to accomplish MDX's assumption of the project in exchange for a perpetual easement and assignment of a $48.5 million FDOT grant to MDX. The Central Boulevard improvement project calls for enhancement of "at grade" and elevated roadways along the airport's main access corridors. It includes the widening and realignment of Central Boulevard and a separating of service and commercial traffic from the public traffic lanes. Specifically, the project widens Central Boulevard from three to four lanes in the west-bound ingress direction and from four to five lanes in the east-bound egress direction. When complete, the improved roadway will provide links to the Airport's major feeder roads and highways, such as LeJeune Road (NW 42nd Avenue), State Road 836, and State Road 112. Central Boulevard will also be the direct link to the new Miami Intermodal Center when it opens in 2011.

- The MIC is a 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 RCC, both of which are being 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 RCC 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 RCC and the MIC core building.

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

- Designing, constructing and operating the MIA Mover;

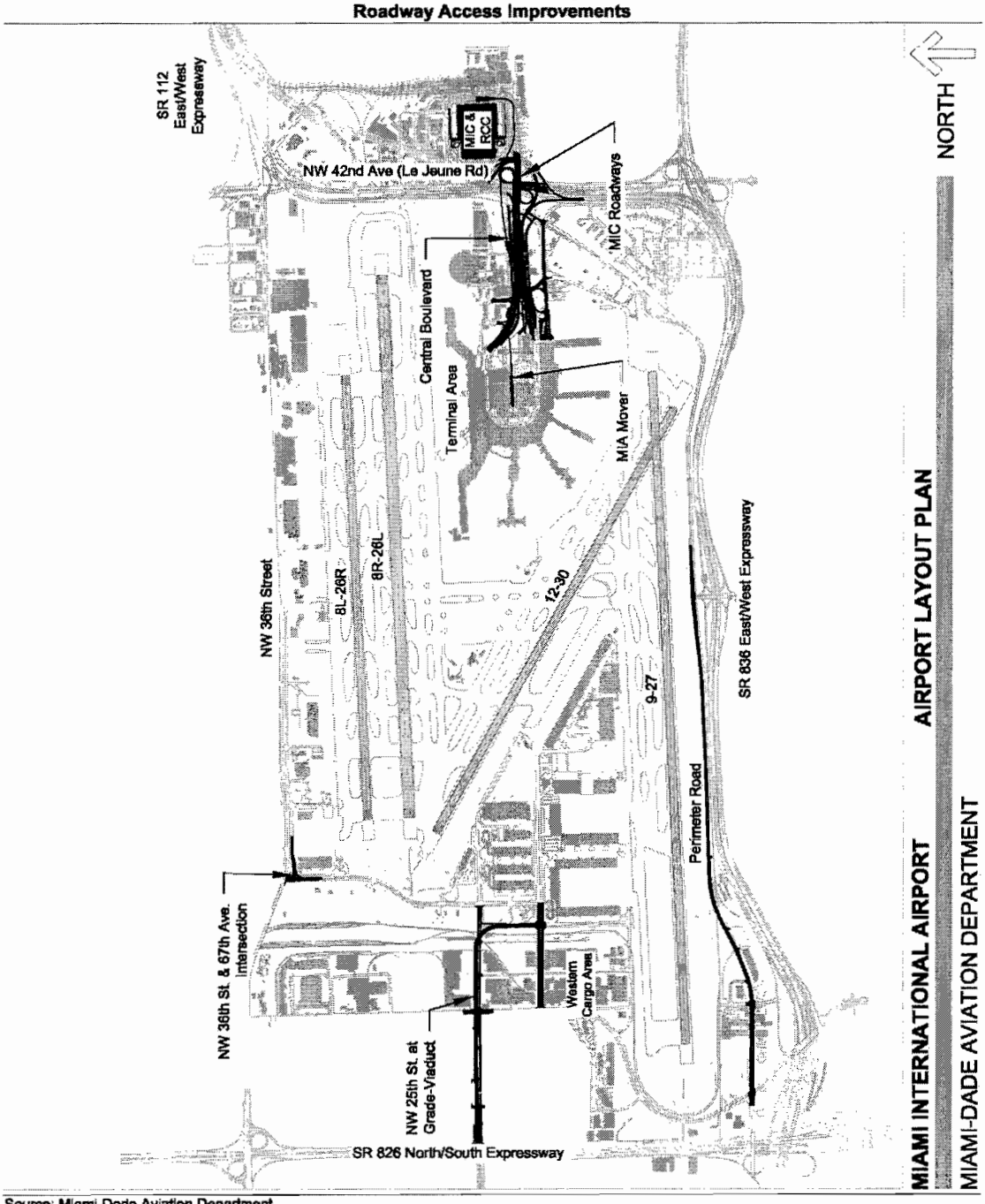
- Calculating Customer Facility Charges ("CFCs") sufficient to pay off the TIFIA loan secured by FDOT and imposing upon car rental companies the obligation to collect CFCs from their customers and remit them to a trustee; and

- Operating and maintaining the RCC and paying for the costs thereof from the CFCs. The CFCs are not Revenues.

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 within 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.

Figure I.1
Airport Layout Plan
Miami International Airport
Roadway Access Improvements



Source: Miami-Dade Aviation Department

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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 north central corridor, which covers 79 acres, and (iii) the northwest and west areas, which comprise 573 acres.

As of March 31, 2010, the Aviation Department managed approximately [8.8] 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 and operational support facilities make up the rest of the square footage managed by the Aviation Department. [The leased facilities are managed through 212 agreements and produced approximately $50.4 million in annual rental revenues ($36.4 million from buildings and $13.9 million from land), which constitute approximately 8.66% of Fiscal Year 2009 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 $57.67 million for fiscal year ended September 30, 2009.]

From June 2008 through July 2009, cargo handled at the Airport decreased 17.9% when compared to the same preceding 12-month period, which the Aviation Department attributes to the economic slowdown. In particular, cargo handled from January 2009 through August 2009 decreased 20.2%. It is too early to predict how long the decrease in cargo will continue and what impact, if any, it will have on Revenues. [Update]

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.

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 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'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 March 31, 2010, the Airport has [64] such positions, [44] of which are common-use positions that are assigned by the Aviation Department's Airside staff. The remaining [20] 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 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 with a commencement date of January 1, 2010. [?]

Public Private Investor Partnership

In calendar year 2007, the Aviation Department initiated a multi-phased Public Private Investor Partnership (PPIP) program in an effort to address unfunded capital needs not included in the CIP and generate additional revenues. Through the PPIP program, the Aviation Department is seeking qualified investors/developers to finance, design, construct, renovate, manage and/or operate projects in undeveloped and/or underutilized land and facilities in certain designated investment areas within the boundaries of the Aviation Department's airports.

The Aviation Department issued a competitive Request for Proposal for Phase I of the PPIP program, which included seven investment areas, ranging in size from 2 to 62 acres, located at Miami International Airport and one general aviation airport. Respondents showed interest in developing four of the seven offered sites and the Aviation Department is currently in negotiation with the two top-ranked developers.

A request for Expression of Interest (EOI) was issued for PPIP Phase II, seeking a qualified developer for four available investment areas in the vicinity of the Airport's Central Boulevard, consisting of a hotel, existing structures, and underutilized land. The Aviation Department received EOIs from five qualified respondents, all of whom were invited to submit a proposal and discuss their EOIs further with the selection and negotiation committee. Two of the five qualified respondents submitted a proposal. Negotiations will continue and may lead to the Aviation Department recommending a single investor/developer for the program.

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 MIA. OPF's property contains 1,810 acres.

The Airfield consists of three active runways. The two east-west runways are 8,002 feet and 4,306 feet long, respectively, and 150 and 100 feet wide, respectively, 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. Other facilities include corporate hangars, an Aircraft Rescue and Fire Fighting 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.

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 March 31, 2010 was approximately $_____.

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 MIA. TMB's property contains 1,360 acres.

TMB's airfield consists of three active runways: two east-west runways of 5,002 feet and 5,003 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 March 31, 2010 was approximately $_____.

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 $4,435,000, and the construction is wholly contingent upon the receipt of ninety percent (95%) FAA Discretionary Funding in FY 2010. [?]

Homestead General Aviation Airport

Homestead General Aviation Airport ("X-51"), 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. X-51's property contains 960 acres.

X-51'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. X-51 has an administration building, with approximately 100 paved auto parking spaces for general aviation on the airport.

The County has entered into a long-term lease agreement for a fixed base operator at X-51. 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 Miami International 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. The County entered into an agreement with the Florida Department of Transportation ("FDOT") on April 23, 2008 whereby FDOT serves as the manager for the purpose of mining limestone rock at the 422-acre airport site. Under the 10-year agreement, FDOT will secure all federal, state and County rock mining permits, assist the County in obtaining a competent extraction company to mine and sell the limestone rock, and assist the County in developing a marketing program for the rock. FDOT will receive no management fee; instead, FDOT will receive a volume discount for contractors working on FDOT projects. FDOT has already submitted the required permit applications to mine the limestone, including one to the U.S. Army Corps of Engineers. FDOT, along with many other mining companies in the Opa-locka West Airport area, are awaiting the outcome of federal litigation challenging the order of the U.S. Army Corps of Engineers that would allow continued limestone rock mining in the area. The federal district court struck down the permits initially, and, following a reversal of that decision by the Eleventh Circuit Court of Appeals, the same federal district court struck down the permits again. An appeal of that second decision is pending.

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 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"), which covers most County properties subject to policy terms and conditions. The program covers physical damage to real and personal property, including boiler and machinery, flood, and terrorism coverage, and provides related loss prevention services. The property insurance coverage limit is $365 million

countywide, including a $5 million deductible per occurrence for most perils. Named windstorm coverage is provided with a limit of $165 million after a deductible of $200 million. The current Countywide Master Program, is effective through April 15, 2010. [Update?]

The South Terminal Expansion Project, including Concourses H and J, is covered by a separate property insurance policy, which is effective through April 15, 2010. [Update?] The limit for this program is $660 million for most perils with a named storm sub limit of $50 million per occurrence, and $10 million per occurrence/annual aggregate for flood.

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.

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 D – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Insurance."

In its Trust Report and Insurance Program Review dated March 25, 2010 (the "2010 Insurance Review"), the Insurance Consultant, Silver Insurance Consultants, St. Petersburg Florida, concluded that, subject to comments included in the 2010 Insurance Review, the Aviation Department's current insurance program complies with the requirements of the Trust Agreement.

While the 2010 Insurance Report makes a number of recommendations, it identifies five priority recommendations, all of which reflect the fact that all property of the Aviation Department, other than the South Terminal Expansion Project and the North Terminal construction, are covered by the Countywide Master Program. The priority recommendations are as follows:

(1) Provide a separate property insurance program insuring only the Aviation Department's facilities or, at a minimum, including new construction as it is completed in the separate program for South Terminal rather than under the Countywide Master Program.

(2) Increase limits under the Countywide Master Program for named windstorm damage above the current limits.

(3) Decrease the deductible for named windstorm damage under the Countywide Master Program.

(4) Increase the coverage limits under the Countywide Master Program for property damage caused by terrorism above the current limits.

(5) Increase limits under the South Terminal insurance for property damage caused by named windstorm above the current $50 million.

All such priority recommendations are subject to availability of such changes at a reasonable cost, and the Insurance Consultant has noted that, due to the current insurance market, it does not expect the changes proposed in (2), (3), (4) and (5) to be currently available at a reasonable cost. 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 County 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.

To comply with certain federal regulations, on an annual basis, the County requests that the Office of Insurance Regulation of the Florida Department of Financial Services designate the Countywide Master Program as either (1) adequate because coverage was "reasonably available," or (2) not adequate because coverage was "reasonably available." If the Office of Insurance Regulation determines the Countywide Master Program is not adequate, the County must acquire additional coverage or provide the Office of Insurance Regulation with a reasonable basis for not obtaining such coverage. The Office of Insurance Regulation has never determined the Countywide Master Program to be not adequate.

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 [January 1, 2010] through [March 31, 2010], 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 [2008], the most recent year for which such information is available, the Airport handled 82% of all air imports and 79% of all air exports between the USA and the Latin American/Caribbean region. In calendar year [2008], the Airport was the nation's number one airport in international freight*(excluding mail) and third in international passenger traffic. [Update?]

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 2008, 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 [2008] showed that the Airport handled 96% of the dollar value of the State's total air imports and exports, and 33% 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 65.2% and [____]% of the enplaned passengers at the Airport during Fiscal Year 2009 and the six month period ended March 31, 2010, respectively, and together with its affiliate, American Eagle, approximately 69.2% and [___]% of all enplaned passengers during such periods, respectively. ** See "REPORT OF THE TRAFFIC ENGINEERS." [Update for March 31, 2010?]

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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.

** Statistical data in this section was compiled by the Aviation Department's Marketing Division from data collected by ACI and [2008] calendar-year traffic reports from the respective airports and is available online at http://www.miami-airport.com/html/airport_statistics_.html.

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) [UPDATE]

Fiscal Year	Total Enplaned and Deplaned Passengers	Percentage Change	Landings and Take-Offs	Percentage Change	Total Enplaned and Deplaned Cargo (Tons)	Percentage Change
2009	33,875,470	-0.6%	348,487	-7.7%	1,699,219	-18.3%
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

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 2008 [2009?]

International Enplaned/Deplaned Passengers		International Enplaned/Deplaned Freight (U.S. Tons)[1]	
1. New York Kennedy	22,401,135	1. Miami International	1,701,877
2. Los Angeles	16,686,487	2. New York Kennedy	1,161,771
3. Miami International	16,146,872	3. Chicago O'Hare	978,002
4. Chicago O'Hare	11,414,681	4. Los Angeles	969,999
5. Newark	11,138,544	5. Atlanta	402,116

(1) ACI rankings include the Ted Stevens Anchorage International Airport ("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.

TOP TEN MARKETS AND TOTAL PASSENGERS
CALENDAR YEAR 2008 [2009?]

DOMESTIC		INTERNATIONAL	
City	Passengers	Country	Passengers
1. New York, New York	2,752,291	1. Mexico	1,108,587
2. Atlanta, Georgia	1,528,536	2. Colombia	1,087,485
3. Chicago, Illinois	1,201,350	3. Brazil	969,823
4. Dallas/Fort Worth, Texas	971,506	4. Dominican Republic	908,622
5. San Juan, Puerto Rico	965,503	5. Venezuela	865,332
6. Washington, D.C.	960,596	6. United Kingdom	806,811
7. Los Angles, California	856,339	7. Bahamas	726,705
8. Orlando, Florida	824,995	8. Jamaica	604,278
9. Boston, Massachusetts	690,436	9. Canada	588,649
10. Charlotte, North Carolina	621,280	10. Costa Rica	579,050

Source: USDOT, T100 Database 2008

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
2009	47%	87%
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

Source: Miami-Dade County Aviation Department.

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Airlines Serving the Airport

As of March 31, 2010, scheduled service was provided at the Airport by [70] airlines; of these, [44] provide domestic or international passenger or passenger-cargo combination service, and [26] provide scheduled all-cargo service. The number of carriers providing scheduled service varies monthly.

44 SCHEDULED PASSENGER/CARGO COMBINATION CARRIERS

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

Air Tran Airways*
Alaska Airlines*
American Airlines*
American Eagle*
Comair (Delta Connection)
Continental Airlines*
Delta Air Lines*
Gulfstream International (Continental Connection)*
Northwest Airlines*
Shuttle America (United Express)
Sun Country*(1)
United Airlines*
US Airways*

31 Foreign Scheduled Passenger/Cargo Combination Carriers

Aerolineas Argentinas (Argentina)*
Aeromexico (Mexico)*
Aerosur (Bolivia)
Aerogal (Ecuador)
Air Berlin (Germany)*
Air Canada (Canada)*
Air Europa (Spain)
Air France (France)*
Alitalia (Italy)*(3)
Avianca (Colombia)*
Avior (Venezuela)
Bahamasair (Bahamas)*
British Airways (United Kingdom)*
Caribbean Airlines (Trinidad and Tobago)*
Cayman Airways (Cayman Islands)*
COPA (Panama)*
Iberia (Spain)*
Insel Air International (Curacao)
LACSA (Costa Rica)*
Lan Argentina (Argentina)
Lan (Chile)*
Lan Ecuador (Ecuador)
Lan Peru (Peru)
Lufthansa (Germany)*
Mexicana (Mexico)*
Santa Barbara Airlines (Venezuela)*
Surinam Airways (Suriname)*
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.

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26 SCHEDULED ALL-CARGO CARRIERS

11 U.S. Scheduled All-Cargo Carriers	15 Foreign Scheduled All-Cargo Carriers
ABX Air*	ABSA (Brazil)
Amerijet*	China Airlines (Taiwan)
Arrow Cargo*	Air Jamaica Cargo (Jamaica)
Centurion Air Cargo	Cargolux Airlines Int'l (Luxembourg)
DHL Express	Cathay Pacific Airways (Hong Kong)
Federal Express (FedEx)*	Cielos Del Peru (Peru)*
IBC Airways	DHL Aeroexpreso (Panama)*
Mountain Air Cargo (FedEx Feeder)	Estafeta (Mexico)*
Polar Air Cargo*	Korean Air (Korea)*
Tradewinds Airlines	LAN Cargo (Chile)*
United Parcel Service (UPS)*	LANCO (Colombia)
	Martinair Cargo (Holland)
	Mas Air (Mexico)
	Tampa Cargo (Colombia)
	Transportes Aereos Bolvianos (Bolivia)

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

As of March 31, 2010, non-scheduled service on charter authority was provided by [22] airlines, [7] of which provide domestic or international passenger or passenger-cargo combination service, and [15] of which provide all-cargo service.

22 NON-SCHEDULED SERVICE CARRIERS

5 U.S. Passenger/Cargo Combination Carriers	12 U.S. All-Cargo Carriers
Allegiant Air	Air Azul
Gulfstream Air Charter*	Air Transport International*
Miami Air International*	Ameristar
Sky King*(1)	Atlas Air*
Vision Airlines	Capital Cargo International
	Florida West
	IFL Group
	Kalitta Air
	Prams Air*
	Sky Way Enterprises
	Southern Air*
	World Airways

2 Foreign Passenger/Cargo Combination Carriers	3 Foreign All-Cargo Carriers
Skyservice Airlines (Canada)*(1)	Aerounion (Mexico)
Thomson Fly (United Kingdom)	Avialeasing (Uzbekistan)
	MTA Cargo (Brazil)

Source: Miami-Dade County Aviation Department.
* Represents Signatory Airline
(1) These airlines generally operate flights seasonally.

Selected Carrier Activity

ENPLANED PASSENGERS
FISCAL YEARS ENDED SEPTEMBER 30 [Update to show six month comparisons as of March 31, 2010?]

	2009		2008		2007		2006	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American	11,002,707	65.17	11,099,724	65.16	10,655,050	64.13	10,170,787	63.35
American Eagle	684,832	4.06	711,775	4.18	749,319	4.51	693,498	4.32
Delta	645,293	3.82	549,383	3.22	527,605	3.18	530,247	3.30
US Airways	405,872	2.40	396,417	2.33	441,632	2.66	385,313	2.40
Continental	379,097	2.25	402,048	2.36	402,974	2.43	390,846	2.43
Avianca	276,739	1.64	292,161	1.72	278,947	1.68	247,297	1.54
TAM	223,292	1.32	165,754	0.97	169,472	1.02	137,789	0.86
British Airways	222,371	1.32	214,092	1.26	219,725	1.32	239,135	1.49
Northwest	211,709	1.25	194,120	1.14	193,987	1.17	212,168	1.32
Taca International	197,702	1.17	232,205	1.36	198,635	1.20	186,706	1.16
All Others	2,634,485	15.60	2,777,721	16.31	2,778,069	16.72	2,861,254	17.82
Total	16,884,099	100.00	17,035,400	100.00	16,615,415	100.00	16,055,040	100.00

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

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COMMERCIAL AIRCRAFT LANDED WEIGHT (1,000 LBS.)

FISCAL YEARS ENDED SEPTEMBER 30 [Update to show six month comparisons as of March 31, 2010?]

	2009		2008		2007		2006	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American	14,889,853	49.35	15,084,270	47.75	14,680,615	46.72	14,310,103	46.56
United Parcel Service	827,834	2.74	925,313	2.93	942,225	3.00	907,570	2.95
Delta	787,667	2.61	711,278	2.25	720,140	2.29	777,895	2.53
American Eagle	784,413	2.60	852,994	2.70	853,145	2.72	793,346	2.58
Arrow Air	771,143	2.56	650,495	2.06	613,079	1.95	535,925	1.74
LAN f/k/a Lan Chile	759,912	2.52	881,640	2.79	980,530	3.12	957,830	3.12
TAM	516,899	1.71	345,337	1.09	335,804	1.07	305,517	0.99
Tampa Cargo	465,617	1.54	558,628	1.77	576,930	1.84	595,459	1.94
Centurion Cargo	458,272	1.52	616,887	1.95	441,253	1.40	411,866	1.34
Martinair	443,420	1.47	395,649	1.25	387,444	1.23	353,886	1.15
All Others	9,466,652	31.38	10,567,979	33.45	10,888,712	34.66	10,785,715	35.09
Total	30,171,682	100.00	31,590,470	100.00	31,419,877	100.00	30,735,112	100.00

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

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FLIGHT OPERATIONS (TAKE-OFFS AND LANDINGS)

FISCAL YEARS ENDED SEPTEMBER 30 [Update to show six month comparisons as of March 31, 2010?]

	2009		2008		2007		2006	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American	148,023	42.48	145,496	38.54	141,186	36.89	141,985	37.76
American Eagle	34,679	9.95	37,122	9.83	37,261	9.74	34,749	9.24
Delta	9,956	2.86	8,458	2.24	7,912	2.07	7,778	2.07
Gulfstream	7,703	2.21	17,323	4.59	22,178	5.79	21,770	5.79
United Parcel Service	7,719	2.22	8,132	2.15	8,232	2.15	7,951	2.11
Continental	6,825	1.96	7,719	2.04	8,015	2.09	7,894	2.10
US Airways	6,558	1.88	6,598	1.75	7,748	2.02	7,472	1.99
IBC Airways	6,012	1.73	5,378	1.42	5,234	1.37	5,146	1.37
LAN f.k.a. Lan Chile	4,769	1.37	5,687	1.51	6,326	1.65	6,105	1.62
Avianca	4,434	1.27	4,445	1.18	4,238	1.11	3,852	1.02
All Others	111,809	32.08	131,210	34.75	134,384	35.11	131,305	34.92
Total	348,487	100.00	377,568	100.00	382,714	100.00	376,007	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.

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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. As of September 30, 2009, Surinam Airways (foreign passenger carrier), Cathay Pacific Airways (foreign all-cargo carrier), Air Berlin (foreign passenger carrier) and Insel Air International (foreign passenger carrier) are receiving landing fee benefits in an estimated abatement of $168,399. An additional domestic passenger carrier, American Eagle, is expected to add service to two new cities and to join ASIP2 in the fourth quarter 2009 with an estimated abatement of $58,706. In addition, American Eagle has also indicated that a third and fourth city will be further added during the second quarter of 2010 with an estimated abatement of $117,412. [Update]

CAPITAL IMPROVEMENT PROGRAM

Airport System Master Plan

From 1991 to 1994, the Aviation Department developed its 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. The Board-approved CIP budget effective October 2008 included an additional $76 million in FDOT funding for costs associated with the MIA Mover. In Fall 2008, TSA and the County executed an agreement whereby TSA will reimburse the County an additional $54 million for baggage screening requirements. 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 such improvements in the CIP, and they are not discussed in this Official Statement. For a discussion of the current CIP budget, see the subsection below "Cost Increases, Claims, Schedule Delays, Disputes with Contractors and Other CIP Risks."

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. Largely due to the economic recession and its effect on passenger traffic, in April 2009 the Traffic Engineers forecast that the Fiscal Year 2015 target of $35 would be exceeded. The Aviation Department proceeded to take measures to reduce the Fiscal Year 2010 budget due to the economic recession and the decline in passenger traffic, which has resulted in slowing the increase in the CEP. The Traffic Engineers currently forecast the Fiscal Year 2015 CEP to be $32.62. See "REPORT OF THE TRAFFIC ENGINEERS."

The Aviation Department has implemented and is considering various measures to reduce increased pressures on the CEP, including, but not limited to, private-public investments and funding contributions from other political subdivisions that are benefited by capital projects at the Airport.

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 56% 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
- Re-construction of Midfield/Airfield
- Midfield Tunnel and Utility Corridor
- Various NAVAID Improvements, Blast Fence and Drainage Improvements

Terminal and Concourse Facilities

- South Terminal Program, including 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
- 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

* Note that this CEP calculation does not relate to airline MII approval as contemplated by the Airline Use Agreement. *See* "SECURITY FOR THE SERIES 2010B BONDS – Airline Use Agreement."

- Concourse H glass 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 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

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
- OPF Rescue and Fire Fighting Facility
- Signage and Lighting Improvements at Kendall-Tamiami and Opa-locka airports

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 current forecast for the Airside Program is $330.5 million, of which approximately _____% has been expended through March 31, 2010. The major remaining project is the Runway 8R/26L pavement reconstruction, which will extend the useful life of the runway. The project was awarded in August 2009.

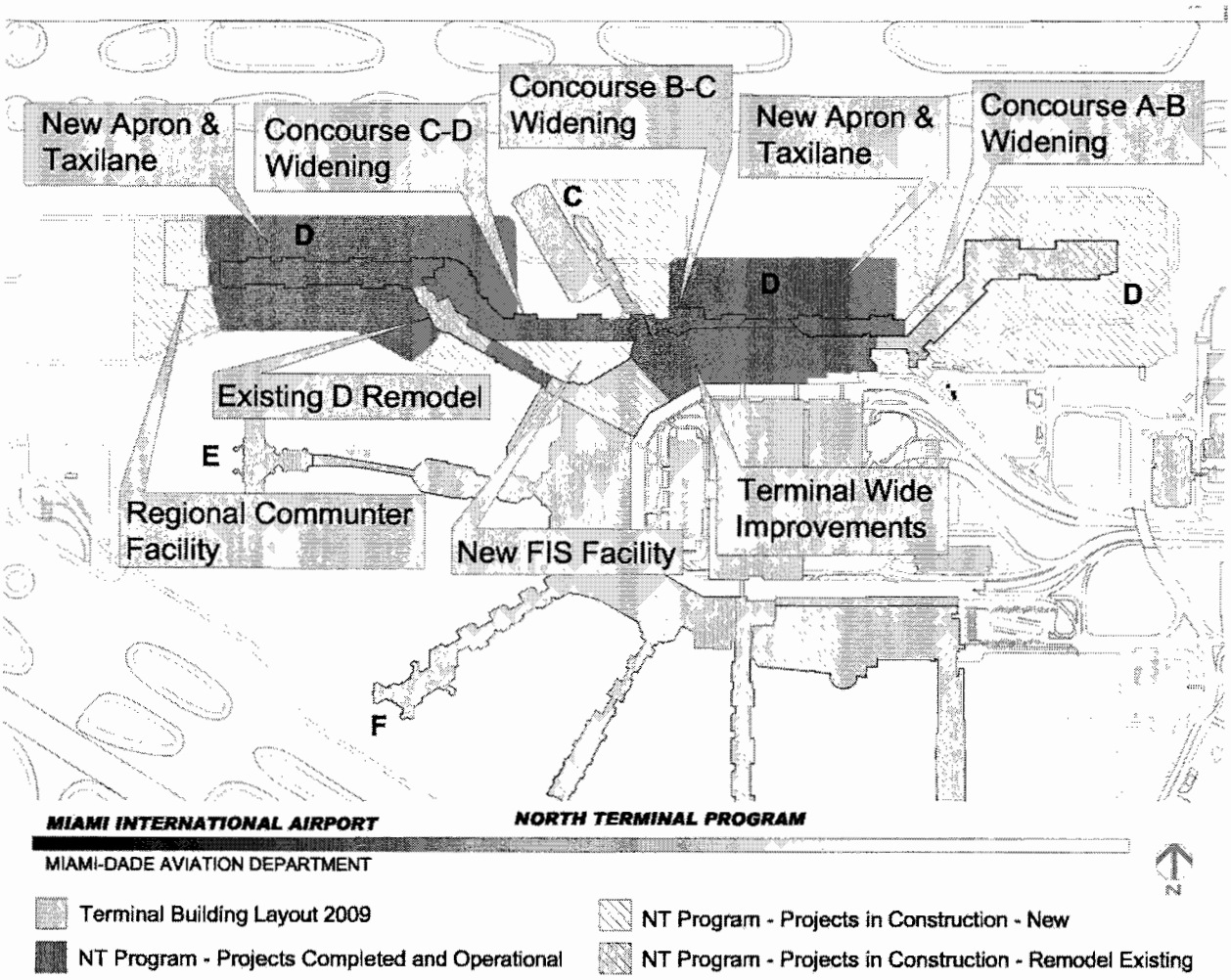
Terminal and Concourse Facilities Programs

The Terminal Building is divided into three areas, North, Central and South. Approximately 64% 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 proposed budget for the Terminal and Concourse renovation and expansion is approximately $4.565 billion, distributed as follows:

North Terminal Program	$ 2.949 billion
South Terminal Program	1.118 billion
Other Terminal Projects	0.498 billion
Total	$ 4.565 billion

The programs are described in detail in the following pages.



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 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 OneWorld 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, an FIS facility capable of processing 3,600 international passengers per hour, 278 ticketing positions (including 126 self-service units), a new baggage handling system (discussed below), and support systems capable of handling an international hub operation of 250 flights per day or more. 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 terminal work from the airside to the ticket counters. Effective July 2005, the Board authorized 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 were shared between the County and POJV. 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 and contractor for the design construction, operation and maintenance of the MIA Mover System.

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 were bid and awarded 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

The revised scope of NTD maintained full functionality, significantly reduced the scope of the TWI project, and temporarily closed Concourse A in the fall of 2007. Closing Concourse A reduced both construction cost and duration and simplified the complex phasing of the NTD. It shifted most of the construction zone from airside to landside, reducing security screening requirements, increasing available labor and encouraging contractor participation. It also provided easy access to most of the construction site and simplified maintenance of traffic. The Aviation Department has estimated that the foregoing efforts have reduced the projected construction time by two years, resulting in a net savings in project management costs. Concourse A is expected to reopen in the second quarter of 2010 for domestic traffic only, with the opening of the new FIS facility adding international capacity upon substantial completion of the program.

The table below compares the budget and status of development for the NTD (core and support projects) from December 31, 2008, the date of the most recent status update, to March 31, 2010. The construction costs are categorized to aid in understanding the status of ongoing work versus work yet to be awarded. All of the NTD work currently is under contract with the exception of a small portion of apron, estimated to cost $2 million. 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)

	December 31, 2008 Update	March 31, 2010 Update
NTD CORE PROGRAM		
To-Be-Awarded Construction	$ 70.2*	
Ongoing Construction	1,681.7	
Completed Work	672.2	
Program Contingency	19.0**	
Professional Services	338.6	
Subtotal NTD Core	**$2,781.7**	
NTD SUPPORT PROGRAM		
Completed Work	$ 22.4	
Indirect Costs	76.9	
Professional Services	13.5	
Subtotal NTD Support	**112.8**	
TOTAL NTD PROGRAM	**$2,894.5**	

* Change from December 31, 2008 to March 31, 2010 reflects award of (1) BC Level 3 Remodel, (2) D-Extension Remaining Scope, (3) PLB Refurbishment, (4) Regional Commuter Facility Apron and (5) PCA/400Hz System Remaining Scope projects, included with "Ongoing Construction" for the Core Program. [update]

** Recent utilization of these contingency funds is attributed to change orders for Baggage Handling System, Terminal Wide Improvements and POJV. Contingency reflects the addition of $54.4 million in TSA Grants for impacts to the baggage handling system due to 100% in-line screening requirements.

Approximately __% of the $2.9489 billion budget has been expended through March 31, 2010.

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.

Baggage Handling System Delay and Cost

A major component of the NTD is a state-of-the-art baggage handling system ("BHS") for American Airlines. In March 2009, Siemens, contractor for the BHS, notified MDAD that (1) the date for substantial completion of Phase I of the BHS ("Phase I Completion"), scheduled for July 28, 2009, would be delayed, and (2) significant design changes would be required to make the system effective and efficient. The required changes reflect both revised TSA requirements and defects identified in the original mechanical and programming structures. The required modifications are currently expected to increase the cost by $46 million. The additional costs are being covered by contingency funds and a TSA grant.

In response, MDAD has devised and implemented a correction plan to reduce the delays and mitigate the resulting cost increases, while making the required changes for the BHS. The correction plan includes a program of alterations and tests. The limited tests completed to date have been successful. Siemens has submitted a revised completion date of June 30, 2010 [?], for both Phase I and Phase II of the BHS.

The delay to [June 30], 2010 adversely affects the ability to complete the remaining components of the NTD program in accordance with the prior schedule and also increases costs. The Aviation Department currently estimates the costs of reconfiguration and rescheduling of other project components caused by the delay to be approximately $10 million. Further delays in the completion of Phase I and Phase II would not restrict operations at the Airport, as American Airlines can continue operations indefinitely with the current baggage system. However, further delays beyond the revised [June 30], 2010 date may result in substantial additional reconfiguration and rescheduling costs for the final phases of the NTD program, including the construction of the new FIS area. While any such further delay in completion of the new FIS area will postpone implementation of certain efficiencies resulting from the FIS relocation, such delay will not restrict operations at the Airport. [update]

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PROGRESS AND ACCOMPLISHMENTS (since December 2008)

	Description of Progress and Accomplishments
Manpower & Expenditures Ramped-up	As of March 31, 2010, there was an average of over [1,200] workers on site daily and [$40] million of total expenditures per month. These averages are expected to be maintained through _____.
Significant Construction Progress Enabling New International Gates to Open	There has been significant construction progress made towards phased completion of the North Terminal. The entire terminal has been "topped-off" (poured roof slabs) and "dried-in" (enclosed terminal areas). B-C terminal phase 1 and modifications to D-Remodel phases 1 and 2 were completed, enabling four new international gates to open on or ahead of schedule. A-B terminal phase 1 was also completed to enable opening of three more gates in the third quarter of 2009, for a total of seven new gates in 2009. Remaining work with existing D terminal is progressing.
Remaining Projects Awarded under Budget	Of the six remaining projects, five (Regional Commuter Facility Apron, B-C Level 3 Remodel, PLB Refurbishment, D-Extension Remaining Scope and PCA/400 Hz System Remaining Scope) have been awarded approximately $13 million under budget. The last apron project (A-B Apron Remaining Scope) is estimated to cost $2 million.
Terminal Wide Construction Late Start Mitigated	The Terminal Wide Project (TWI) started construction two months later than originally scheduled. The contractor MCM/Dragodos Joint Venture (MDJV) accelerated the schedule to compensate for the delay in construction start. The Allowance Account within the contract has been utilized to pay for the cost of this acceleration.
Regional Commuter Facility (RCF) Terminal on Schedule	The Regional Commuter Facility Terminal project has made substantial progress and is on schedule.
Board Ratified Additional Funding from TSA	TSA mandated requirements for 100% baggage screening increased North Terminal construction cost. TSA agreed to reimburse $54.4 million of the estimated $78.1 million in increased costs. The Board ratified the TSA funding in June 2009.

KNOWN EXPOSURES AND MITIGATING ACTIONS (since December 2008)

	Description of Exposures and Actions Taken
Baggage Handling System Schedule	As discussed above, the Aviation Department is closely monitoring the proposed and revised baggage handling system schedule and tracking it against the physical progress on site.
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 resolved all known impacts to date by utilizing the POJV contract allowance account and is continuing to work on other potential impacts. Future delays to program completion could result in additional overhead costs to the County for POJV and other related construction and professional contracts.
NTD Contingency	The NTD is forecast to need an additional $29 million for completion. See below "Cost Increases, Claims, Schedule Delays, Disputes with Contractors and Other CIP Risks."

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 _____% of the $1.118 billion current forecast for the core program and support projects was expended through March 31, 2010. The core STP is fully operational and only minor corrective work remains to be completed.

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 design for the A-380 Gate has been completed, and the Aviation Department expects to bid this project in the fourth quarter of 2009. 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 SkyTeam Alliance (including Delta Air Lines). 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 originally scheduled to occupy the South Terminal, with SkyTeam and Star Alliance members remaining the primary occupants.

The STP was designed and some of the bids were negotiated prior to September 11, 2001. Increased security measures implemented after the September 11, 2001 terrorist attacks required extensive redesign of the STP, which resulted in scope changes, delays and cost increases. Changes in technology and reconfiguration of the information technology and security system conduit and wiring to meet current operating needs resulted in further scope changes, delays and cost increases to the STP.

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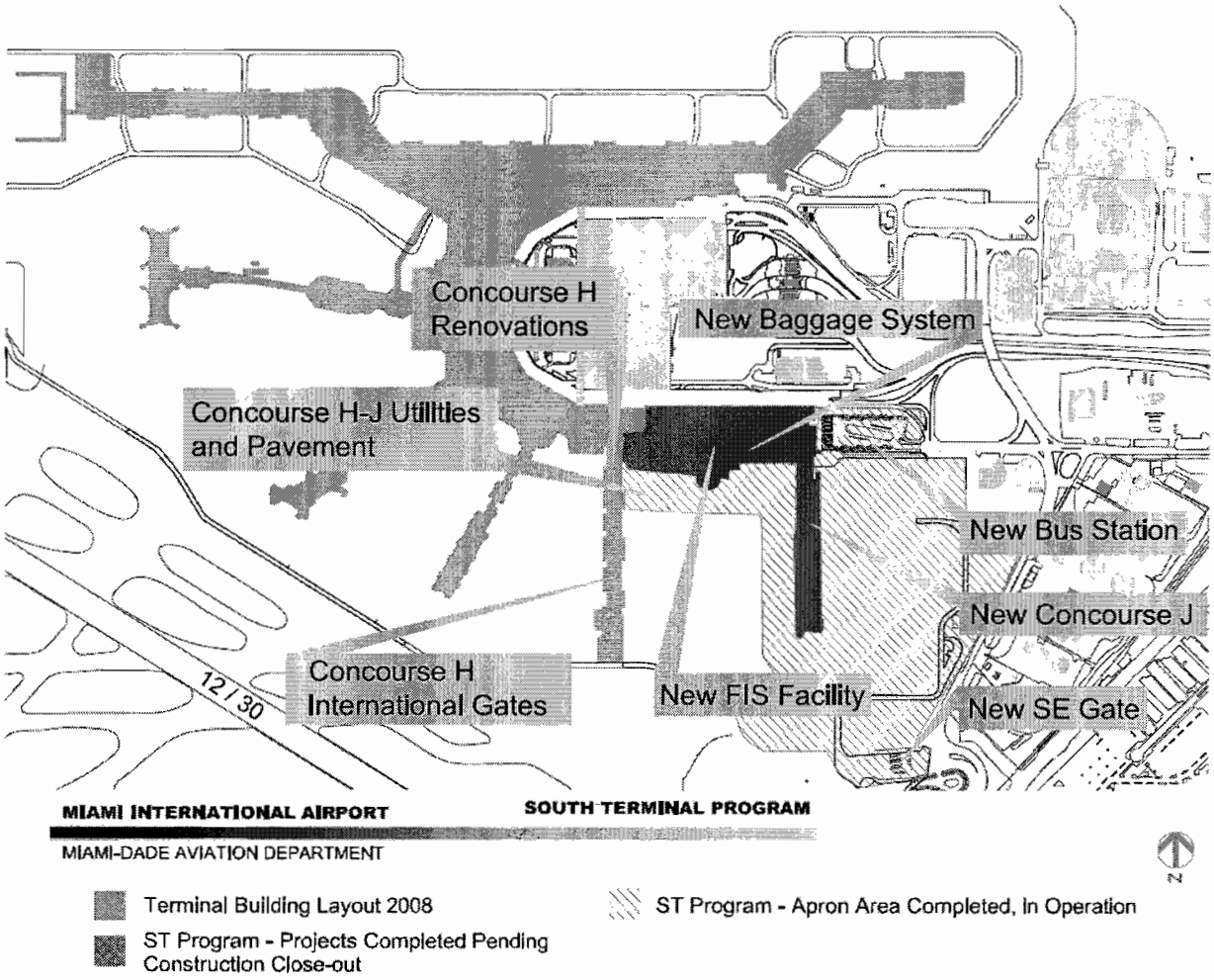

As required by changing conditions, the Aviation Department has increased the budgets for the STP and has extended schedules for the completion of the STP from time to time. Notwithstanding the increased budgets and extended schedules, the first domestic flight from South Terminal occurred on August 29, 2007, 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 fell behind schedule. The issuance of a Temporary Certificate of Occupancy (TCO) by the Building Department, allowing for Beneficial Occupancy, is another meaningful measure of development for a construction project. The Building Department issued a TCO for the majority of Concourse J, enabling the first flight from Concourse J in September 2007. The Building Department issued a TCO for Phase II, allowing for Beneficial Occupancy, on June 2, 2009. The Aviation Department is actively pursuing settlement of all direct and indirect claims against the County relating to the South Terminal. While additional negotiations may be required, the Aviation Department currently estimates that it will be able to resolve all claims in a manner that will add approximately $4.85 million of unbudgeted costs. [update]

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 has a current forecast value of $497.9 million and is approximately 93.1% complete as of September 30, 2009. [Update?] The major project remaining to be completed is life-safety 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. Other Central Terminal improvements yet to be completed include building code upgrades, 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 forecast value is $158.5 million of which approximately _____% was spent through March 31, 2010. Significant projects yet to be completed include improvements to the Perimeter Road North and an upgrade of the Airport's Upper and Lower Vehicle Drive Accessibility Improvements. The Perimeter Road North project will expand the lanes of the intersection at NW 36th Street, NW 67th Avenue and Perimeter Road, thus allowing this intersection to serve as a second major entry/exit to the west side and north-west cargo areas of MIA.

MIA Mover Program

The Aviation Department has undertaken construction of 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 known as the MIC, being built by FDOT. (See "AIRPORT SYSTEMS FACILITIES – Roadway Access to MIA" for a description of the MIC). The MIA Mover is part of a larger FDOT project, including the Miami Central Station, a core transportation building and the adjacent Rental Car Center ("RCC"). The MIA Mover will enable passengers to reach the RCC, Metrorail, Tri-Rail, Amtrak, Greyhound and Metrobus transportation systems. The project is one means of eliminating congestion at the Terminal Building curbs and on access roadways by eliminating the need for the rental car companies to provide bus/van transportation to and from the Terminal.

The MIA Mover will consist of approximately 1.25 miles of dual lane guideway and will have two stations. The MIA Station will be located between the Flamingo and Dolphin parking garages and will use the existing connector bridges to the North Terminal and the South Terminal. The MIC Station, just west of the Miami Central Station, is being constructed by FDOT although the MIA Mover Contractor will install the operating system equipment and station equipment.

A Request for Proposals ("RFP") for the MIA Mover was first advertised in December 2004. The RFP called for the delivery of a turnkey solution to design, build, operate and maintain the MIA Mover. This approach was chosen to reduce capital costs, provide for faster completion, provide greater contractor accountability, and reduce potential for delays. To promote completion, the RFP documents allowed for different technologies to be proposed. The final rankings were based on best value, combining technical merit and pricing. The contract was awarded to POJV in July 2008.

The contract includes Phase I (the capital project) and Phase II (the operating project). Phase I includes the design, construction, manufacture, supply, installation, testing and commissioning of the fixed facilities (MIA Station, guideways, maintenance and storage facility, provisions for air conditioned pedestrian corridors with moving walkways connecting the MIA Station to the MIA Terminal, etc.) and the operation system of the MIA Mover APM System. The term for construction of the MIA Mover capital project is three years from the effective date of Notice to Proceed, which was September 8, 2008. The MIA Mover is scheduled to be operational in

September 2011, with shuttle buses connecting the Terminal Building to the RCC between the RCC's opening, now projected to be Spring 2010, and the commencement of MIA Mover service.

This project is forecast to cost $299.4 million. Through March 31, 2010, the Aviation Department had expended approximately $_____ million or _____% of the forecast. Nearly $11 million of the $_____ million was spent prior to the award of the contract to POJV. The majority of costs prior to contract award were for feasibility and alignment studies as well as program management. Since contract award, the majority of costs have been for design of the fixed facilities, design of the operating systems, contractor mobilization, and site work.

Support Programs

These programs support the Airport System functions, including environmental remediation and utility infrastructure, security and business systems. The program forecast is $713.3 million (including [$18.0] million in contingencies as of March 31, 2010) of which 89.0% has been spent through September 30, 2009. 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 $138 million are forecast as sources of equity funding for the $365 million security budget, including $54 million from 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 forecast is $182.1 million, of which _____% has been spent through March 31, 2010.

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 TMB Runway is being extended to allow aircraft to increase their fuel and/or cargo load, which in turn allows them to arrive at destinations that are currently unattainable without having to land and refuel at other airports. The program's forecast cost is $58.4 million of which _____% has been spent through March 31, 2010.

CIP Expenditures

The following table is an overview of the status of the CIP expenditures, by major programs. As of March 31, 2010 , $_____ billion has been expended on all projects in the CIP.

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

Programs	December 31, 2008 Forecast	September 30, 2009 Spending Plan	2010-2011 Proposed Budget	Expenditures as of February 28, 2010	Expenditures as of February 28, 2010 as a Percentage of the 2010-2011 Proposed Budget
Airside Program	$ 342.3	$ 330.5	$ 330.5	$ 309.7	93.70%
Terminal Facilities Program:					
North Terminal [2]	2,894.5	2,948.8	2,948.8	2,354.2	79.83%
South Terminal [2]	1,115.6	1,118.0	1,118.0	1,080.2	96.61%
Other Terminal Projects	502.8	497.9	497.9	454.5	91.29%
Landside Program:					
Roadways & Parking	162.8	158.5	158.5	147.1	92.82%
MIA Mover	299.4	299.4	299.4	94.9	31.70%
Support Programs[3][4]	759.7	713.3	853.3	640.8	75.10%
Cargo and Aircraft Maintenance Program	189.1	182.1	182.1	176.2	96.76%
General Aviation Airports Program	53.7	58.4	58.4	52.9	90.59%
Total CIP Budget[5]:	$6,320.0	$6,306.9	$6,446.9	$5,310.5	82.37%

(1) All data as of March 31, 2010. 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) Indirect costs are budgeted in each CIP program but actually charged to the Support Program only. For purposes of this table, the $250 million in indirect costs that have been charged through September 30, 2009 is allocated among the CIP program in proportion to the direct costs incurred by each program. [Update?]
(4) The County expects to incur $12.5 million in indirect costs in FY 2010, which are included in the FY 2009-2010 Forecast, and another $18 million in indirect costs from FY 2011 through 2013, which are not currently included in the Total CIP Forecast. [Update?]
(5) Columns may not add due to rounding.

Long-term planning continues to be challenged by the rapidly changing aviation industry. See "CERTAIN INVESTMENT CONSIDERATIONS - Developments Affecting Air Transportation System." It is possible that some new projects not now reflected in the CIP could be added to the CIP.

Cost Increases, Claims, Delays and Other CIP Risks

General

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 may be adversely 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.

Contingencies; Additional Borrowing Capacity [update]

As of December 31, 2008, program-wide contingencies totaled approximately $72 million. Of this amount, $12.5 million was allocated for indirect costs for FY 2010 and $54.5 million was allocated to North Terminal, while $12.9 million was added to the contingency total, reflecting primarily the decrease in anticipated costs of a runway rehabilitation and environmental remediation projects. This left forecasted program-wide contingencies of $18 million as of September 30, 2009.

The Aviation Department has not revised its borrowing requirement since March 2007. Since that date, the cost of the CIP budget has increased by $107 million to $6.307 billion. The increase, however, has been funded entirely by grants. The Aviation Department recognizes that total costs may be materially increased by the time the CIP is completed. Of the $6.307 billion spending plan, as of September 30, 2009, $3.544 billion represents completed projects. The balance of $2.763 billion represents projects still subject to the risks inherent in construction, including subsequent claims by contractors for additional payments. Of this $2.763 billion, bids are not yet awarded for $49 million, and therefore these project budgets are also still subject to the risk that bids will be in excess of amounts reflected in their current project forecasts.

The current approved spending plan, set at $6.307 billion, does not take into account certain, as yet unresolved, cost issues. Accordingly, the Traffic Engineers have included in their report an assumed increase of up to $100 million in principal amount. The Aviation Department believes, based on all currently available information, that the additional $100 million should cover existing cost uncertainties. See "Assumptions Regarding Completion of the CIP" in "Report of the Traffic Engineers" in APPENDIX A. See also above "Terminal and Concourse Facilities Programs — Baggage Handling System Delay and Cost." [update]

FUNDING SOURCES FOR THE CIP

Funding for the CIP has been provided from proceeds of Bonds issued under the Trust Agreement, proceeds of the Double-Barreled Aviation Bonds and proceeds of CP Notes issued by the County to provide temporary financing of costs, federal and state aviation grants, PFC revenue, a contribution from American Airlines, and interest income. The County and the Aviation Department currently expect that final funding for the CIP will be provided by federal and state aviation grants and that no further series of Bonds will be issued under the Trust Agreement for such purpose after issuance of the Series 2010B Bonds. 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 from the CIP. See "AVIATION RELATED DEBT – Commercial Paper Notes."

CIP FUNDING SOURCES [a] [update]

Miami-Dade County Aviation Department
as of March 31, 2010
(in thousands)

[TABLE PROVIDES INFORMATION AS OF MARCH 29, 2010. TO BE UPDATED.]

		Funding Sources							
		Pay-as-you-go					Aviation Revenue Bonds		General Obligation Backed
Program Description	Program Total	AIP Grants	TSA OTA	FDOT Grants	PFC Revenue [b]	Other Funds [c]	Paid with PFC Revenue [d]	Paid with Airport Revenue	Paid with Airport Revenue
Airside	$ 330,503	$193,570		$ 61,604	$ 12,675			$ 62,654	
Terminal & Concourse Facilities:									
• North Terminal [d]	2,948,796		$54,400	7,166		$105,000	$847,386	1,902,235	$ 32,609
• South Terminal [e]	1,118,016	30,054	17,173	51,691	18,731		446,256	554,111	
• Other Terminal Projects [f]	497,880	12,792		14,452	82,207			388,429	
Landside:									
• Roadways & Parking	158,466			30,449	44,103			83,914	
• MIA Mover	299,381			101,526				25,118	172,737
Support Programs [g]	853,311	35,534	2,689	73,008	11,743			730,337	
Cargo and Aircraft Maintenance	182,143	3,694		31,240				147,209	
General Aviation Airports	58,382	21,535		6,701				30,146	
Total CIP:	**$6,446,878**	**$297,179**	**$74,262**	**$377,837**	**$169,459**	**$105,000**	**$1,293,642**	**$3,924,153**	**$205,346**

(a) All data as of March 31, 2010. This table reflects only the $6.3 billion CIP spending plan and excludes any capital projects paid with Improvement Fund monies.
(b) Based on the FAA approved PFC applications (#1, #2 and Amended #3).
(c) Represents the American Airlines contribution of $105 million.
(d) Based on the FAA approved PFC application #4, which also includes the financing and issuance costs related to these programs, which are not included in this table.
(e) Includes "support" projects.
(f) Includes a portion of Concourse A, Phase 1 and all of Concourse A, Phase 2.
(g) Includes additional contingency of $140 million.

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 and 2009, Congress, unable to reach agreement on AIP reauthorization, enacted temporary Omnibus legislation to extend the AIP funding at approximately 75% of the Fiscal Year 2007 AIP obligation authority for a portion of the Fiscal Year, but in both years legislation was enacted to complete the funding for the fiscal year.

For Fiscal Year 2009, Congress passed an extension of AIP grants and FAA programs by virtue of the enactment of the FAA Extension Act of 2009. The extension kept the airport construction grants program and other FAA programs funded through September 30, 2009, by authorizing a total of $3.9 billion and appropriating $3.5 billion of funding for airport capital grants for the fiscal year ended September 30, 2009. [Update?]

The recently enacted American Recovery and Reinvestment Act (the "Recovery Act") provides (1) $800 million of additional AIP funding for airport security and improvement projects, and (2) a separate $1.1 billion stimulus program for surface access (highways, bridge and intermodal) projects called Transportation Investment Generating Economic Recovery (TIGER). The Aviation Department plans to seek funding from TIGER for the Viaduct West Project. *See* "CERTAIN INVESTMENT CONSIDERATIONS – Federal Legislation."

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)		
2009	$ 6,374,043	$11,356,593	$ 10,110,000	$ 27,840,636
2008	3,466,041	4,348,557	4,000,000	11,814,598
2007	4,530,691	5,554,060	16,012,452	26,097,203
2006	4,386,399	5,522,311	7,550,000	17,458,710
2005	4,262,672	5,293,844	13,722,084	23,278,600

Source: Miami-Dade County Aviation Department.

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 by amending the scope of the LOI for the Tract One apron drainage, grading and pavement improvement project (located near the North runway). This amendment authorizing the funding of the Tract One project 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. The LOI issued to the Aviation Department 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"). The Aviation Department received amounts totaling $95.9 million under the LOI scheduled for payment in the fiscal years 2000 through 2009. As expected, $10,110,000 scheduled for payment in Fiscal Year 2009 was received in June 2009. The remaining LOI payment of $8.54 million is scheduled to be received in FY 2010.

State Grants

Aviation projects throughout the state are funded by the State through fuel taxes. Approximately 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 at 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.

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

Fiscal Year	AIP	Discretionary	Flex Funds	Total Collected
2009	$ 3,000,000	$ 5,993,000	N/A	$ 8,993,000
2008	5,949,000	6,361,000	N/A	12,310,000
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

N/A = Not applicable

The Aviation Department received $8.993 million in FDOT grants in Fiscal Year 2009.

The County's five-year work plan for Fiscal Years 2010 through 2014 contemplates the receipt of FDOT aviation grants between $127.9 million and $133.7 million, a portion of which is conditioned on the MIA Mover project proceeding. In earlier 5-year work programs, FDOT allocated $80 million, which was increased in 2008 to $114.3 million, including the value of certain work performed by FDOT and therefore not in the CIP, for the MIA Mover Design, Build, Operate and Maintain Project through a requested reallocation of funds in the approved 5-year work program. There are several important airfield and landside capacity projects that FDOT is planning to fund in future years, but for which no local matching funds have yet been identified or budgeted. Due to the current recession and stressed economic conditions, the fulfillment of FDOT funding cannot be taken for granted. If these long-term projects are not funded by FDOT due to the change in economic conditions, the County may amend the five-year work plan or consider alternative funding sources. However, the County is committed to completion of the MIA Mover project from FDOT grants and other available County monies or funding.

Over the last two fiscal years, the State budget deficit has resulted in FDOT having to reduce its statewide funding commitments under its Five Year Work Program by an estimated $2.5 billion, resulting in FDOT reducing the Aviation Department's work-program allocation by $19.52 million through FY 2014. As the reductions have taken place in consultation with the Aviation Department, the reduction has had no material impact on the current CIP funding, as most of the reductions were taken from projects that are not funded in the CIP and lack the local share apportionment.

Passenger Facility Charges

The Airport currently collects passenger facility charges ("PFCs") with a charge of $4.50 on each passenger on an air carrier enplaned at the Airport, subject to certain limitations. PFCs must be used to finance specific eligible projects as described below. Currently, PFCs are capped at $4.50 per segment of flight (up to a maximum of $18.00 on round trip). Pending federal legislation contemplates an increase to $7.00 per segment although there can be no assurance that such increase will be authorized. See "CERTAIN INVESTMENT CONSIDERATIONS – 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 at the beginning of each Fiscal Year, which is credited against the Principal and Interest Requirements on the Bonds for that particular Fiscal Year. Under the definition of Principal and Interest Requirements in the Trust Agreement, the County is allowed to exclude from the computation of Principal and Interest Requirements any funds set aside or deposited for purposes of paying debt service in that Fiscal Year. Therefore, in calculating its rate covenant requirement, the County reduces the Principal and Interest Requirements by the amount of PFC revenue set aside per the Annual Budget for debt service payment in that Fiscal Year thus reducing the coverage amount otherwise required.

The Aviation Department transferred $100 million in PFC revenues to the Sinking Fund for payment of the Fiscal Year 2010 Principal and Interest Requirement, with such revenues generated in part from PFCs collected in prior years but not yet expended. The balance in the PFC Revenue Account as of September 30, 2009, was $195.9 million from which the $100 million transfer was made at the beginning of October 2009.

In the past, on an interim basis, the Aviation Department has used accumulated PFCs for direct payment of construction costs. The Aviation Department has reimbursed the PFC account for such draws at such time as the County issued long term debt.

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 related to the North and South Terminal Programs.

The Aviation Department has been authorized to collect PFCs in the estimated aggregate amount of $2.6 billion over the next 30 years, including interest. The authorization is expected to expire in October 2035. The amount of PFC collections from inception through September 30, 2009 was $678.8 million and with interest was $748.3 million. Of this amount, the Aviation Department has expended $552.0 million as of September 30, 2009. Under generally accepted accounting principles, PFCs are reported as non-operating revenues. Aviation Department annual PFC collections since inception through [September 30, 2009] 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	60,822,212
2009	58,476,343

The forecast PFC revenue for Fiscal Year 2010 through Fiscal Year 2018 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:

[TABLE PROVIDES INFORMATION AS OF JANUARY 14, 2010. TO BE UPDATED.]

Fiscal Year	Estimated PFC Revenue To Be Collected
2010	$57,397,000
2011	58,229,000
2012	59,305,000
2013	60,605,000
2014	61,923,000
2015	63,258,000
2016	64,628,000
2017	66,015,000
2018	67,455,000

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, 2009, the Aviation Department had received $60 million from American Airlines.

In Fiscal Year 2006, TSA issued a one-time $20 million "other transaction agreement" (OTA) for in-line EDS for South Terminal. In Fiscal Year 2008, TSA committed a one time $54.4 million OTA for in-line EDS and security enhancements of the baggage handling and gate delivery system for the North Terminal Program.

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 $_____ will have been issued after the issuance of the Series 2010B Bonds, with the remaining $_____ 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.

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 2005 through Fiscal Year 2009.

Historical Financial Results

The following table presents a summary of revenues and expenses from Port Authority Properties for the five fiscal years ended September 30, 2009 and for the two six month period ended on March 31, 2010, and March 31, 2009, respectively, and includes debt service coverage ratios for [such periods] [the five fiscal years]. 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. Attached as APPENDIX B are audited financial statements for the Aviation Department for the Fiscal Years ended September 30, 2009 and September 30, 2008.

The information for the six month periods March 31, 2010 and 2009 respectively is unaudited but includes all adjustments, consisting of normal recurring accruals, that the Aviation Department considers necessary for a fair presentation of the financial position and the results of operations.

Operating results for the six-month period ended March 31, 2010, are not necessarily indicative of the results that may be expected for the entire year ending September 30, 2010. The date should be read in conjunction with the financial statements and related notes included in "APPENDIX B - AUDITED FINANCIAL STATEMENTS."

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

	Six Months Ended March 31 (Unaudited)		Fiscal Year Ended September 30				
	2010	2009	2009	2008	2007	2006	2005
MIA Aviation Fees			$311,888	$322,975	$300,738	$288,583	$270,607
Commercial Operations:							
Management Agreements			$ 72,628	$ 77,158	$ 78,885	$ 68,212	$ 68,649
Concessions			99,096	99,335	91,629	77,505	77,283
Total Commercial Operations			$171,724	$176,493	$170,514	$145,717	$145,932
Rentals			$ 95,626	$ 97,369	$ 93,118	$ 87,688	$ 85,998
Other Revenues			17,885	22,438	21,783	23,467	32,532
Sub-total Revenues			$597,123	$619,275	$586,153	$545,455	$535,069
General Aviation Airports			4,758	4,373	5,616	4,432	4,328
Gross Revenues			$601,881	$623,648	$591,769	$549,887	$539,397
Expenses:							
Current Expenses			$300,079	$311,914	$285,244	$240,922	$269,819
Current Expenses under Mgmt. Agmt.			27,944	31,557	29,654	27,894	27,778
Current Expenses under Oper. Agmt.			39,491	35,092	31,307	30,859	31,433
Total Current Expenses			$367,514	$378,563	$346,205	$299,675	$329,030
Net Revenues:			$234,367	$245,085	$245,564	$250,212	$210,367
Less: Reserve Maintenance Fund Deposit			15,000	23,000	17,000	7,500	15,000
Net Revenues After Deposits			$219,367	$222,085	$228,564	$242,712	$195,367
Total Debt Service			$251,049	$229,984	$230,239	$220,578	$176,610
Less: PFC Revenue (used for d/s)			100,000	81,608	73,641	65,000	35,000
Debt Service			$151,049	$148,376	$156,598	$155,578	$141,610
Debt Service Coverage[(1)(2)]			1.45x	1.50x	1.46x	1.56x	1.38x

(1) 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.

(2) 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.

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Management's Discussion of Financial Information

Six Months Ended March 31, 2010

Fiscal Year 2009

For Fiscal Year 2009, the significant items affecting the financial results were :

- Aviation fees decreased in Fiscal Year 2009 when compared to Fiscal Year 2008 by $11 million, representing .3%. The Landing Fee rate charged to MIA air carriers in Fiscal Year 2009 decreased from $1.94 in Fiscal Year 2008 to $1.18, primarily due to the decrease in the Current Expenses budget. In addition, the landed weight amount increased year over year thus decreasing the landing fee rate.

- 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 of annual payments so as to pay claims and construction costs related to the NTD capital project. In accordance with this agreement, American Airlines has made $60 million in payments to the Aviation Department including $15 million in June 2005, $15 million in July 2006, $10 million in July 2007, $10 million in July 2008 and $10 million in 2009.

- The Aviation Department's discretionary cash position decreased in Fiscal Year 2009 as noted below primarily due to the decrease in Net Revenues, which accumulated in the Improvement Fund. As of September 30, 2009, September 30, 2008 and September 30, 2007, the Aviation Department's operating cash position was as follows:

	2009	2008	2007
Revenue Fund [1]	$ 51,372,019	$ 66,740,051	$ 59,396,481
Reserve Maintenance Fund	28,798,565	32,949,068	29,047,384
Improvement Fund [2]	116,383,418	137,233,412	125,594,816
Total	$196,554,002	$236,922,531	$214,038,681

[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 2006 amount includes $63.6 million that was transferred to the Revenue Fund during Fiscal 2007. The Fiscal Year 2007 amount includes $64.1 million that was transferred to the Revenue Fund in Fiscal Year 2008 and $72.0 million of the Fiscal Year 2008 balance is earmarked to be transferred in Fiscal Year 2009. All of these transfers are required per the AUA.

In September 2009, the Board approved the Aviation Department's Fiscal Year 2010 budget. This budget reflects the Aviation Department's expectation of a 2.41% increase in passengers or 17.0 million enplaned passengers; an increase of 2.5% in landed weight; a $18.7 million or 4.5% decrease in Current Expenses primarily in Salaries and Fringes $7.5 million or 5.1% due to a reduction of 79 positions coupled with other categories such as Outside Contracts $7.1 million or 10.85%; use of $100.0 million in PFC revenues to pay debt service (compared to $100.0 million used in Fiscal Year 2009); and a increase from $15.0 million to $19.25 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 budgets for Fiscal Years 2009 and 2010.

Commercial Operations Revenues at the Airport [update; consider stubs]

The Aviation Department received $171.7 million in commercial revenues in Fiscal Year 2009, as compared to $176.5 million in Fiscal Year 2008. The decrease in revenues reported reflects a decrease in revenues from the parking management agreement of $4.2 million.

Fiscal Year 2009 revenues in the major categories include $37.4 million in parking revenues and $25.1 million in rental car revenues. Retail concessions generated approximately $10.6 million in total sales under a management agreement. The Hotel and related Top-of-the-Port Restaurant generated $12.9 million in revenues in Fiscal Year 2009.

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 37,000 active employees. The County also provides retirees the opportunity to participate in the group employee health plans. The County has approximately 1,600 pre-age 65 and approximately 1,900 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. The County contributes to both the pre-65 and post-65 retiree medical coverage. Retirees pay the full cost of dental coverage. Medical contributions vary based on plan and tier selected by the retiree. 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.

GASB 45 reporting requirements became effective with the County's Fiscal Year ending September 30, 2008. An actuarial study estimated the County's OPEB liability to be $300.8 million as of October 1, 2008 and the annual OPEB cost to be $28.8 million (assuming a 30-year amortization and level percentage of payroll, closed, amortization method, 4.75% discount rate). The accrued actuarial OPEB liability estimated for the approximate 1,270 eligible employees of the Aviation Department is $11.8 million and the annual OPEB cost is $1.112 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. As of September 30, 2009, no assets have been segregated and restricted to provide postretirement benefits. During the fiscal years ended September 30, 2009 and 2008, the County contributed $21.8 million and $11.3 million, respectively, towards retirees' medical benefits on the pay-as-you-go basis, of which $836,000 and $371,000, respectively, was allocated to the Aviation Department. The Aviation Department reported an OPEB liability of $956,000 and $679,000 as of September 30, 2009 and 2008 respectively.

REPORT OF THE TRAFFIC ENGINEERS

The Report of the Traffic Engineers (the "Series 2010B 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 2010B Bonds. The Series 2010B Report should be read in its entirety for an understanding of the information

and underlying assumptions. The Series 2010B 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 forecast period (Fiscal Year 2010 through Fiscal Year 2018, inclusive). The Series 2010B Report concluded, based on various assumptions described in the Series 2010B Report, that the Aviation Department would generate Revenues sufficient to satisfy the requirements of the Rate Covenant under the Trust Agreement during the forecast period.

Set forth below is a chart reflecting the projected debt service coverage for the Port Authority Properties based on the $6.307 billion current CIP spending plan, plus an assumed issuance of an additional $100 million in debt. See, **"CAPITAL IMPROVEMENT PROGRAM - Cost Increases, Claims, Delays and Other CIP Risks - - *Contingencies; Additional Borrowing Capacity*."** The payment of debt service on the Double-Barreled Aviation Bonds is treated as an expense in the following chart.

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RATE COVENANT COMPLIANCE – AVIATION REVENUE BONDS
Miami-Dade County Aviation Department
For Fiscal Years Ending September 30
(dollars in thousands)

This exhibit is based on information from the sources indicated and assumptions provided by, or reviewed with and approved by Aviation Department, as described in the accompanying test. Inevitably, some of the assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances could occur. Therefore, the actual results will vary from those forecast, and the variations could be material.

[Updated information will be provided by the Traffic Engineer.]

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

[TABLE PROVIDES INFORMATION AS OF JANUARY 14, 2010. TO BE UPDATED.]

	Passenger Airline Payments	Enplaned Passengers	Cost per Enplaned Passenger
	(in thousands)		
	[A]	[B]	[A]/[B]
2009	$269,754	16,884	$15.98
2010	303,316	16,550	18.33
2011	447,692	16,790	26.66
2012	507,807	17,100	29.70
2013	540,072	17,475	30.91
2014	563,355	17,855	31.55
2015	594,978	18,240	32.62
2016	630,161	18,635	33.82
2017	680,058	19,035	35.73
2018	712,510	19,450	36.63

The Series 2010B 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 2010B 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 2010B 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 2010B 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 assumed that no additional projects would be financed with bonds payable from Revenues of the Aviation Department during the forecast period.

Various factors may adversely affect the ability of the Aviation Department to achieve the projections in the Series 2010 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 2010 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 2010 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. The Series 2010 Report should be read in its entirety for a complete understanding of its contents. See the information regarding forward looking statements on the disclaimer page at the beginning of this Official Statement.

COUNTY INVESTMENT POLICY

Pursuant to Florida Statutes, Section 218.45, which requires a written investment policy by the Board, the County adopted an investment policy (the "Investment Policy") which applies to all funds held by or for the benefit of the Board in excess of those required to meet short-term expenses, except for proceeds of bond issues (including the Series 2010B Bonds) which are specifically exempted by Board ordinance or resolution.

The primary objectives of the Investment Policy, listed in order of importance are:

1. the safety of principal;

2. the liquidity of funds; and

3. the maximization of investment income.

The Investment Policy limits the securities eligible for inclusion in the County's portfolio to a maximum maturity of five years. The Investment Policy allows investments in repurchase agreements with a maximum length to maturity of 14 days from the date of purchase; the collateral shall be "marked to market" as needed.

To enhance safety, the Investment Policy requires the diversification of the portfolio to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which the instruments are bought and sold. The Investment Policy also requires the monthly performance reports to be presented to the County Clerk and to the County's Finance Director, quarterly performance reports to be submitted to the Investment Advisory Committee and an annual report to be presented to the Board within 120 days of the end of the Fiscal Year.

The Investment Policy may be modified by the Board as it deems appropriate to meet the needs of the County.

TAX MATTERS

General

In the opinion of Squire, Sanders & Dempsey L.L.P. and KnoxSeaton, Bond Counsel, under existing law, (i) interest on the Series 2010B Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except interest on a Series 2010B 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 Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) the Series 2010B Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2010B Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the County to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2010B Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations or the continuing compliance with the County's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Series 2010B Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion

about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the County may cause loss of such status and result in the interest on the Series 2010B Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2010B Bonds. The County has covenanted to take the actions required of it for the interest on the Series 2010B Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Series 2010B Bonds, Bond Counsel will not undertake to determine (or to inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2010B Bonds or the market prices of the Series 2010B Bonds.

Although a portion of the interest on certain tax-exempt obligations earned by certain corporations may be included in the calculation of adjusted current earnings for purposes of the federal corporate alternative minimum tax, interest on certain tax-exempt obligations issued in 2009 and 2010, including the Series 2010B Bonds, is excluded from that calculation. Interest on the Series 2010B Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2010B Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Series 2010B Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Series 2010B Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed the outcome of which could modify the tax treatment of obligations such as the Series 2010B Bonds. There can be no assurance that legislation enacted or proposed, or actions by a Court, after the date of issuance of the Series 2010B Bonds, will not have an adverse effect on the tax status of interest on the Series 2010B Bonds or the market prices of the Series 2010B Bonds.

Prospective purchasers of the Series 2010B Bonds should consult their own tax advisers regarding pending or proposed federal and State tax legislation and court proceedings, and prospective purchasers of the Series 2010B Bonds at other than their original issuance at the respective yields indicated on the inside cover page of this Official Statement should also consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

Bond Counsel's engagement with respect to the Series 2010B Bonds ends with the issuance of the Series 2010B Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the County or the beneficial owners regarding the tax status of interest on the Series 2010B Bonds in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2010B Bonds, under current IRS procedures, the IRS will treat the County as the taxpayer and the beneficial owners of the Series 2010B Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including, but not limited to, selection of the Series 2010B Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market prices for the Series 2010B Bonds.

Original Issue Discount and Original Issue Premium

Certain of the Series 2010B Bonds (the "Discount Bonds") as indicated on the inside cover page of this Official Statement were offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2010B Bonds; and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond. A purchaser of a Discount Bond in the initial public offering at the yield for that Discount Bond stated on the inside cover page of this Official Statement who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Series 2010B Bonds (the "Premium Bonds") as indicated on the inside cover page of this Official Statement were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the yield for that Premium Bond stated on the inside cover page of this Official Statement who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

Owners of Discount Bonds and Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

CONTINUING DISCLOSURE

Disclosure Covenants

The County has covenanted in the Series 2010B 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 United States Securities and Exchange Commission, that certain continuing disclosure information will be provided or cause to be provided for the benefit of the beneficial owners of the Series 2010B 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 2010B Bonds to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system ("EMMA") in an electronic format prescribed by the MSRB and such other municipal securities information repository as may be required by law or applicable legislation, from time to time (each such information repository, a "MSIR") the following annual financial information (the "Annual Information"), commencing with the Fiscal Year ending after the issuance of the Series 2010B Bonds:

(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 2010B 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 and will be made available to each MSIR, the Trustee and to each beneficial owner of the Series 2010B Bonds who requests such information in writing. The audited general purpose 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 each MSIR in the appropriate format required by law or applicable regulation, notice of occurrence of any of the following events with respect to the Series 2010B 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 providers, or their failure to perform; (6) adverse tax opinions or events affecting the tax-exempt status of the Series 2010B Bonds; (7) modifications to rights of holders of the Series 2010B Bonds; (8) bond calls; (9) defeasance; (10) release, substitution or sale of any property securing repayment of the Series 2010B Bonds; and (11) rating changes.

(iii) The County agrees to provide or cause to be provided, in a timely manner, to each MSIR in the appropriate format required by law or applicable regulation, 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 2010B 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 2010B Bonds within the meaning of the Rule.

(v) The Covenants are intended to be for the legal and beneficial owners of the Series 2010B 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 2010B Resolution in a federal or state court located within the County and any failure by the County to comply with the provisions of this undertaking shall not be a default with respect to the Series 2010B Bonds.

(vii) Additionally, the requirements of subsection (i) above do not necessitate the preparation of any separate annual report addressing only the Series 2010B Bonds. The requirements of subsection (i) may be met by the filing of an 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 MSIR 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.

Except to cure any ambiguity, inconsistency or formal defect or omission in the provisions of the Series 2010B Resolution, 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 2010B 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 Disclosure 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 2010B Resolution, ceases to be in effect for any reason, and the County elects that the Covenants shall be deemed amended accordingly.

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

Obligated Persons

The County has determined that as of the issuance of the Series 2010B Bonds, the County will be the sole Obligated Person (as defined in the Rule) with respect to the Series 2010B Bonds.

Because the County will be the sole Obligated Person with respect to the Series 2010B 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 – Airline Economic 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 2010B Bonds.

EMMA System

Under existing law, County filings of continuing disclosure under the Covenants must be made through the EMMA system (Electronic Municipal Market Access), established and maintained by the Municipal Securities Rulemaking Board. Investors can access the EMMA system at www.emma.msrb.org and follow the instructions provided on such website to locate filings by the County with respect to the Series 2010B Bonds.

While all filings under the Covenants must be made through EMMA, filings made by the County prior to July 1, 2009 with respect to its continuing disclosure obligations with respect to the Outstanding Bonds, cannot be

found through the EMMA system and must be located through the pre-existing Nationally Recognized Municipal Securities Information Repositories.

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 ratings of ["A-,"] ["A2"] and ["A,"] respectively, to the Series 2010B Bonds. 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 2010B Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2010B 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 2010B Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2010B 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 2010B Bonds are being purchased by the Underwriters listed on the cover page hereof, for whom J.P. Morgan Securities Inc. is acting as representative. Subject to certain conditions, the Underwriters have agreed to purchase all of the Series 2010B Bonds at a purchase price of $_____ representing the original principal amount of $_____ less net original issue discount of $_____ less an Underwriters' discount of $_____ (approximately _____% of the principal amount of the Series 2010B Bonds). The purchase contract between the Underwriters and the County provides that the Underwriters will purchase all of the Series 2010B Bonds, if any are purchased. The yields for the Series 2010B 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 2010B 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 2010B Bonds. The fee payable to the Financial Advisor is contingent upon the issuance and delivery of the Series 2010B Bonds.

RELATIONSHIPS OF PARTIES

A number of the firms serving as Bond Counsel, Disclosure Counsel or Underwriters' Counsel (1) have represented and may continue to represent the Trustee and one or more of the Underwriters in connection with other transactions in jurisdictions other than the County and (2) represents the County on certain other matters and represent certain other clients in matters adverse to the County.

FINANCIAL STATEMENTS

The financial statements of the Aviation Department as of and for the Fiscal Years ended September 30, 2009 and September 30, 2008 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, 2009 and September 30, 2008, 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. 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, 2009 AND 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 offering of the Series 2010B Bonds.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2010B Bonds, including their legality and enforceability and the exclusion of interest on the Series 2010B Bonds from gross income for federal income tax purposes, are subject to the approval of Squire, Sanders & Dempsey L.L.P., Miami, Florida and KnoxSeaton, Miami, Florida, Bond Counsel, whose opinions will be delivered with the Series 2010B 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 Hunton & Williams LLP, Miami, Florida, and Law Offices Thomas H. Williams, Jr., P.L., Miami, Florida, Disclosure Counsel, whose opinions will be delivered with the Series 2010B Bonds. _____, 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 2010B 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 2010B 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 2010B Bonds and the tax-exempt status of interest on the Series 2010B Bonds, 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 2010B 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 2010B Bonds or questioning or affecting the validity of the Series 2010B 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

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 Air Lines and Pan American World Airways. 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 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 February 2009, the Opinion of Cost report was further updated to reflect changes that occurred during FY2008. As a result of the updated study and damages incurred in FY 2008, the estimated cost to the Aviation Department to address the contamination as of September 30, 2008 is in a range from $67 million to $156 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 that 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 $111,437,161 in the Port Authority Properties at September 30, 2008. 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 formerly 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. [update]

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 2010B 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 2010B Bonds.

CERTIFICATE OF FINANCE DIRECTOR AND AVIATION DIRECTOR CONCERNING THIS OFFICIAL STATEMENT

Concurrently with the delivery of the Series 2010B 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 2010B 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 2010B 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 2010B Bonds, the security for the payment of the Series 2010B Bonds and the rights and obligations of the owners of the Series 2010B 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.

APPENDIX A

REPORT OF THE TRAFFIC ENGINEERS

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2009 AND SEPTEMBER 30, 2008

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, 2009 and September 30, 2008, respectively. The consent of KPMG LLP for the use of the financial statements herein has not been sought.

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 (successor in interest to JPMorgan Chase Bank), 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 2010B 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 effective 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 and bonds are outstanding under the Trust Agreement or any successor trust indenture. 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 Tab 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 Tab 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 Tab 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 provided it will cause no increase in Airline Costs Per Enplaned Passenger, (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 System funds, (4) is financed by a tenant or third-party source 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 settle lawful claims, satisfy judgments or comply with judicial orders against the County by reason of its ownership, operation, maintenance or use of the Port Authority Properties or parts thereof, (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) in five (5) or more years of the ten (10) year projection period, 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 forty-five (45) days of the request for approval. If disapproval occurs, the Aviation Department must defer the project for one hundred eighty (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 forty-five (45) days of the re-submission. After one hundred eighty (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) in six (6) or more years of the ten (10) year projection period, then the project is not deemed approved unless the MIIs signify their approval in writing within forty-five (45) days. Late responses and non-responses are deemed to signify approval of such project. If non-approval occurs, the Aviation Department must defer the project for one hundred eighty (180) days and then re-submit the project to the MIIs for the same review process within forty-five (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 forty-five (45) days of resubmission. Late responses and non-responses are deemed to signify approval of such project. 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 such projects.

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 and the total Revenue Requirement for the forthcoming year. The Revenue Requirement 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 Requirement and Revenue Credits is then divided by estimated Total Landed Weight for the period to determine the Landing Fee Rate per one thousand (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, and moneys in this sub-account may be used for any lawful purpose.

APPENDIX E

PROPOSED FORM OF BOND COUNSEL OPINION

On the date of issuance of the Series 2010B Bond, Squire, Sanders & Dempsey L.L.P. and KnoxSeaton, Bond Counsel, propose to render their opinion in substantially the following form, which is subject to change.:

_____ __, 2010

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

Re: $_____ Miami-Dade County, Florida Aviation Revenue Bonds, Series 2010B

We have examined the transcript of proceedings (the "Transcript") relating to the issuance by Miami-Dade County, Florida (the "County") of its $_____ principal amount of Miami-Dade County, Florida Aviation Revenue Bonds, Series 2010B (the "Series 2010B Bonds"). All terms used in capitalized form and not defined herein have the meanings ascribed to such terms in the hereinbelow described Series 2010B Resolution or Trust Agreement.

The Series 2010B Bonds are issued pursuant to Ordinance No. 95-38, enacted by the Board of County Commissioners of the County (the "Board") on February 21, 1995, Ordinance No. 96-31, enacted by the Board on February 6, 1996, Ordinance No. 97-207, enacted by the Board on November 4, 1997, and Ordinance No. 08-121, enacted by the Board on October 21, 2008 (collectively, the "Ordinance"), Resolution No. R-___-10, adopted by the Board on _____ __, 2010 (the "Series 2010B Resolution"), and 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, as Trustee, and U.S. Bank National Association, successor in interest to Wachovia Bank, National Association, as Co-Trustee.

The Series 2010B Bonds are being issued for the purpose of providing funds to (i) refund $_____ principal amount of Miami-Dade County, Florida Aviation Commercial Paper Notes, Series B (NON-AMT), (ii) finance or reimburse the County for a portion of the cost of the CIP Projects, (iii) pay capitalized interest on the Series 2010B Bonds, (iv) make a deposit to the Reserve Account, and (v) pay costs of issuance of the Series 2010B Bonds.

The documents in the Transcript examined include certified copies of the Ordinance and the Series 2010B Resolution and an executed copy of the Trust Agreement. We have also examined a specimen of the Series 2010B Bonds.

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

1. The County is a validly existing political subdivision of the State of Florida under the Constitution and laws of the State of Florida, with the power to issue the Series 2010B Bonds.

2. The Series 2010B Bonds, the Ordinance, the Series 2010B Resolution and the Trust Agreement are valid and legally binding special, limited obligations of the County, enforceable in accordance with their respective terms, subject to bankruptcy laws and other laws affecting creditors' rights and to the exercise of judicial discretion. The Series 2010B Bonds are payable as to principal and interest solely from and secured by a pledge of the Net Revenues in the manner and to the extent provided in the Trust Agreement. Neither the faith and credit nor the ad valorem taxing power of the County, the State of Florida or any political subdivision thereof are pledged to the payment of the principal of, or interest on, the Series 2010B Bonds.

3. The interest on the Series 2010B Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), except interest on any Series 2010B 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 Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

Interest on the Series 2010B Bonds is excluded from the calculation of a corporation's adjusted current earnings for purposes of the federal corporate alternative minimum tax, but interest on the Series 2010B Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations.

In giving the foregoing opinion in numbered paragraph 3, we have relied upon, and assumed continuing compliance with, the County's covenants and the accuracy, which we have not independently verified, of the representations and certifications of the County contained in the Transcript. The County's continuing compliance with those covenants, and the accuracy of those representations and certifications, may be necessary for the interest on the Series 2010B Bonds to be and to remain excluded from gross income for federal income tax purposes. Failure to comply with certain requirements subsequent to issuance of the Series 2010B Bonds may cause interest on the Series 2010B Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2010B Bonds.

4. The Series 2010B Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings. We have further assumed the due authorization, execution and delivery by, and the binding effect upon and enforceability against, the Trustee and the Co-Trustee of the Trust Agreement.

Respectfully submitted,

APPENDIX F

PROPOSED FORM OF DISCLOSURE COUNSEL OPINION

On the date of issuance of the Series 2010B Bonds, Hunton & Williams LLP and Law Offices of Thomas H. Williams, Jr., P.L., propose to render their opinion in substantially the following form, which is subject to change.

August __, 2010

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

$_____
MIAMI-DADE COUNTY, FLORIDA
Aviation Revenue Bonds
Series 2010B

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 $600,000,000 Aviation Revenue Bonds, Series 2010B (the "Series 2010B Bonds").

In this capacity, we have examined an executed copy of the Official Statement of the County dated _____, 2010 (the "Official Statement"), relating to the Bonds. We have reviewed the Official Statement generally and have discussed certain information and statements therein with representatives of the County from the Finance Department, the County Attorney's Office and the Aviation Department of Miami-Dade County, Florida; First Southwest Company and Frasca & Associates, L.L.C., Financial Advisors to the Aviation Department; Jacobs Consultancy, Inc., Traffic Engineers for the Aviation Department; and Squire, Sanders & Dempsey L.L.P. and KnoxSeaton, Bond Counsel.

In Resolution No.R _____ (the "Series 2010B Resolution") adopted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on _____, 2010, the County covenanted to comply with the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12.

We also have examined certain proceedings of the County and originals or copies identified to our satisfaction of such agreements, instruments, opinions, certificates and other documents as we have deemed necessary for purposes of the advice contained in this letter. We have assumed the genuineness of signatures on documents submitted to us as originals, the authenticity thereof and the conformity with the originals of any documents submitted to us as copies or specimens. We also have assumed the accuracy of the opinion of Bond Counsel.

On the basis of the foregoing, we advise you as follows:

1. We have not verified and are not passing upon, and we do not assume any responsibility for, the accuracy or completeness of the statements contained in the Official Statement. Nothing, however, has come to our attention during the course of our review and discussion of the Official Statement that would cause us to believe that the Official Statement, on the date thereof or on this date, contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

2. Our advice in paragraph 1 does not apply to the financial statements and financial or statistical data contained or incorporated by reference in the Official Statement, including the Appendices.

3. In our opinion, with respect to the issuance of the Bonds, the continuing disclosure undertaking of the County complies as to form in all material respects with the requirements for such an agreement in paragraph (b)(5) of Securities and Exchange Commission Rule 15c2-12.

4. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Series 2010B Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended.

Very truly yours,

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**5(B)**
File Number:	**101054**
Committee(s) of Reference:	**Board of County Commissioners**
Date of Analysis:	**June 3, 2010**
Type of Item:	**Aviation Revenue Bonds (Series 2010B)**

Summary

This resolution authorizes the Finance Director, as the Mayor's designee, to issue Aviation Revenue Bonds in multiple sub-series, in an amount not to exceed $600 million for 40 years in maturity; and to use Build America Bonds as a portion of the issuance (if advisable).

The series of bonds, referenced as Series 2010B Bonds, are to be issued for the following purposes:

- Deposit to Construction Fund: $522,400,000
    - Refund of all or a portion of outstanding Commercial Paper (CP) Notes;
    - Repay any internally borrowed Aviation funds used to fund project costs and reserve requirements; and
    - Issuance of additional proceeds for projects included in the Capital Improvement Program (CIP).
- Capitalized Interest: $44,800,000
- Deposit to Reserve Account (if no surety): $26,400,000
- Other Costs of Issuance: $6,400,000

Background and Relevant Legislation

In a series of bond enabling ordinances enacted by the Board of County Commissioners (BCC) from 1994 through 2009, the BCC authorized the issuance of Aviation Revenue Bonds collectively totaling $6.2 billion for the purpose of financing capital improvements for County Airports, among other things. This resolution implements the authority conferred under the Enabling Bond Ordinances for the completion of airport projects, provided the issuance of additional bonds, as authorized, does not exceed $600 million.

Policy Change and Implication

As noted above, the BCC has previously authorized the issuance of Aviation Revenue Bonds in which the bonds are secured on a parity basis with outstanding aviation bonds. Therefore, the proposed resolution does not constitute a new policy.

Budgetary Impact

According to Exhibit D on handwritten page 138 and 139, in FY 2009 there was a decrease in revenue collected from aviation landing fees and from aviation parking revenues.

Debt Service

The Administration reports that the estimated average annual debt service payment resulting from the issuance of the Series 2010B Bond is calculated at an estimated true interest cost of 5.44% for a 31.2-year maturity term, based on April 2010 market conditions. Taking into consideration unexpected market volatility, the true interest cost parameter is 6.5%.

According to Administration, $337 million in interest is paid annually on the debt service. Once BCC approves this item, the annual interest payment is projected to increase to $417 million over the next seven (7) years.

An updated debt service schedule will be provided to the Board for consideration prior to final approval.

Build America Bonds (BABs)

The American Recovery and Reinvestment Act (the "Act") created a new form of bonds known as Build America Bonds ("BABs"). Build America Bonds are taxable and, through Federal subsidies or tax credits, are intended to reduce municipal borrowing costs.[1] If the County issues BABs, it intends to receive the cash subsidy from the US Treasury equivalent to 35% interest on the BABs in lieu of providing the tax credits or direct payments to bond investors.

According to Administration, BABs are risky because failure to comply with the IRS rules may result in the loss of all or some of the federal subsidy. Moreover, a change in federal law may adversely impact the subsidy amount that the County receives in the future. The current economic benefit is estimated to be 7%. Economic benefits are assessed only at the time of sale.

Questions / Comments

The proceeds are to repay any internally borrowed Aviation funds used to fund project costs and reserve requirements – how much has been borrowed?

> According to Administration, the Aviation Department has not had to advance any funds for either projects or reserve account.

Prepared by: Elizabeth N. Owens

[1] http://www.munibondadvisor.com/BuildAmericaBonds.htm