

Memorandum



Date: July 23, 2019

To: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez", written over the name in the "From:" field.

Subject: Resolution Authorizing the Issuance of Aviation Revenue Refunding Bonds, Series 2019C
in an Amount Not to Exceed \$400,000,000

Agenda Item No. 8(D)(1)

Recommendation

It is recommended that the Board of County Commissioners (Board) approve the accompanying resolution (Series 2019 Resolution), which authorizes the issuance of the following series of Aviation Revenue Refunding Bonds:

- Series 2019C Non-Alternative Minimum Tax (AMT) (Series 2019C);
- Series 2019D Non-AMT (Series 2019D); and
- Series 2019E Taxable (Series 2019E).

The Series 2019C, Series 2019D, Series 2019E Bonds (collectively, the Series 2019 Refunding Bonds) will be issued in the aggregate principal amount not to exceed \$400 million and will refund all or a portion of the outstanding Revenue Bonds Series 2009A, 2009B, 2012A, 2012B, and other bonds currently outstanding under the Trust Agreement that meet the requirements of Resolution No. R-1313-09 (collectively, "Refunded Bonds").

The Series 2019 Resolution also provides for: (1) funding the cost of issuance; (2) funding the reserve requirement with proceeds of the Series 2019 Refunding Bonds or a Reserve Facility (defined in the Series 2019 Resolution); and (3) the County Mayor or County Mayor's designee and other County Officials to take all action necessary to issue the Series 2019 Refunding Bonds.

It is also recommended that Resolution No. R-130-06 be waived because the sale of the Series 2019 Refunding Bonds, which will set the final terms, will not occur until after the effective date of the Series 2019 Resolution.

Scope

The scope of the transaction is countywide.

Fiscal Impact/Funding Source

The fiscal impact of the proposed refunding transaction is positive. Based on market conditions as of June 17, 2019, the proposed refunding generates a debt service savings of approximately \$28.2 million over the life of the Series 2019 Refunding Bonds, representing a net present value savings of \$23.8 million, or 7.6 percent of the amount of the Refunded Bonds. Consistent with the County's refunding policy, established by Resolution No. R 1313-09, the net present value savings that will be achieved by issuing the Series 2019 Refunding Bonds exceeds a five percent threshold and the final maturity of the Series 2019 Refunding Bonds is not greater than the final maturity of the Refunded Bonds.

Attachment 1: (a) reflects the proposed structure of the Series 2019 Refunding Bonds as fixed rate current interest bonds; (b) includes a comparison of the debt service on the Refunded Bonds with the estimated debt service of the proposed Series 2019 Refunding Bonds, producing the projected annual refunding savings; and (c) includes a Sources and Uses of Proceeds schedule outlining the components of the transaction, including an estimated cost of issuance of \$3.3 million (which includes underwriting fees). An update to Attachment 1 will be provided to the Board prior to its consideration, and once again after the Series 2019 Refunding Bonds are priced and awarded to Underwriters. The Series 2019 Refunding Bonds are expected to be issued in September 2019.

Track Record/Monitoring

Sergio San Miguel, Chief Financial Officer of the Aviation Department, will manage funding of the debt service payments and debt compliance monitoring. Continuing disclosure will be managed by Arlesa Wood, Director of Bond Administration Division in the Finance Department.

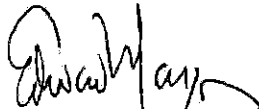
Background

The Department has completed a Capital Improvement Plan (CIP) which commenced in 1993. The Board authorized the issuance of \$6.2 billion in Aviation Revenue Bonds pursuant to Ordinance Nos. 95-38, 96-31, 97-207 and 08-121 of which the entire \$6.2 billion have been issued. The Refunded Bonds were issued to provide funds to pay a portion of the cost of certain projects included in the Department's CIP.

The Series 2019C Bonds are being issued to refund and redeem all or a portion of the outstanding Aviation Revenue Bonds Series 2009A. The Series 2019D Bonds are being issued to refund and redeem all or a portion of the outstanding Aviation Revenue Bonds Series 2009B. The Series 2019E Bonds are being issued to advance refund and redeem all or a portion of the outstanding Aviation Revenue Bonds Series 2012A and Series 2012B which are AMT and Non-AMT Bonds, respectively.

Resolution No. R-130-06 provides that any County contract with a third party be finalized and executed prior to its placement on an agenda of the Board. The sale of the Series 2019 Refunding Bonds, which will set their final terms, will not occur until after the effective date of the Series 2019 Resolution. Therefore, a waiver of Resolution No. R-130-06 is required, in order to provide the County maximum flexibility in the market, as described above.

Attachments (1)



Edward Marquez
Deputy Mayor

SOURCES AND USES OF FUNDS

Miami-Dade County, Florida
Aviation Revenue Refunding Bonds, Series 2019CD&E
Interest Rates as of June 17, 2019 | Preliminary & Subject to Change

	Dated Date	09/19/2019		
	Delivery Date	09/19/2019		
Sources:	Tax-Exempt Non-AMT (2019C)	Tax-Exempt Non-AMT (2019D)	Taxable (2019E)	Total
Bond Proceeds:				
Par Amount	17,555,000.00	9,750,000.00	315,795,000.00	343,100,000.00
Premium	934,536.45	519,934.25		1,454,470.70
	18,489,536.45	10,269,934.25	315,795,000.00	344,554,470.70
Other Sources of Funds:				
Debt Service Fund	436,880.21	233,065.11	5,941,562.50	6,611,507.82
	18,926,416.66	10,502,999.36	321,736,562.50	351,165,978.52
Uses:	Tax-Exempt Non-AMT (2019C)	Tax-Exempt Non-AMT (2019D)	Taxable (2019E)	Total
Refunding Escrow Deposits:				
Cash Deposit	18,759,256.25	10,409,678.13	7,129,877.21	36,298,811.59
SLGS Purchases			311,604,001.00	311,604,001.00
	18,759,256.25	10,409,678.13	318,733,878.21	347,902,812.59
Delivery Date Expenses:				
Cost of Issuance	74,996.66	42,133.73	1,344,760.54	1,461,890.93
Underwriter's Discount	92,163.75	51,187.50	1,657,923.75	1,801,275.00
	167,160.41	93,321.23	3,002,684.29	3,263,165.93
	18,926,416.66	10,502,999.36	321,736,562.50	351,165,978.52

BOND SUMMARY STATISTICS

Miami-Dade County, Florida
Aviation Revenue Refunding Bonds, Series 2019CD&E
Interest Rates as of June 17, 2019 | Preliminary & Subject to Change

Dated Date	09/19/2019
Delivery Date	09/19/2019
First Coupon	04/01/2020
Last Maturity	10/01/2032
Arbitrage Yield	1.442879%
True Interest Cost (TIC)	2.978104%
Net Interest Cost (NIC)	2.976551%
All-in TIC	3.032261%
Average Coupon	2.965583%
Average Life (years)	9.216
Duration of Issue (years)	8.014
Par Amount	343,100,000.00
Bond Proceeds	344,554,470.70
Total Interest	93,771,497.53
Net Interest	94,118,301.83
Total Debt Service	436,871,497.53
Maximum Annual Debt Service	65,282,251.00
Average Annual Debt Service	33,519,552.24
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.250000
Total Underwriter's Discount	5.250000
Bid Price	99.898920

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds (2019C)	17,555,000.00	105.323	5.000%	1.520	1.487	2,786.05
Serial Bonds (2019D)	9,750,000.00	105.333	5.000%	1.523	1.489	1,550.00
Serial Bonds (2019E)	315,795,000.00	100.000	2.939%	9.881	8.603	267,809.60
	343,100,000.00			9.216		272,145.65

	TIC	All-In TIC	Arbitrage Yield
Par Value	343,100,000.00	343,100,000.00	27,305,000.00
+ Accrued Interest			
+ Premium (Discount)	1,454,470.70	1,454,470.70	1,454,470.70
- Underwriter's Discount	(1,801,275.00)	(1,801,275.00)	
- Cost of Issuance Expense		(1,461,890.93)	
- Other Amounts			
Target Value	342,753,195.70	341,291,304.77	28,759,470.70
Target Date	09/19/2019	09/19/2019	09/19/2019
Yield	2.978104%	3.032261%	1.442879%

SUMMARY OF REFUNDING RESULTS

Miami-Dade County, Florida
Aviation Revenue Refunding Bonds, Series 2019CD&E
Interest Rates as of June 17, 2019 | Preliminary & Subject to Change

	Tax-Exempt Non-AMT (2019C)	Tax-Exempt Non-AMT (2019D)	Taxable (2019E)	Total
Dated Date	09/19/2019	09/19/2019	09/19/2019	09/19/2019
Delivery Date	09/19/2019	09/19/2019	09/19/2019	09/19/2019
Arbitrage Yield	1.442879%	1.442879%	2.934692%	1.442879%
Escrow Yield			1.793380%	
Value of Negative Arbitrage			9,904,798.06	9,904,798.06
Bond Par Amount	17,555,000.00	9,750,000.00	315,795,000.00	343,100,000.00
True Interest Cost	1.781755%	1.781267%	2.996811%	2.978104%
Net Interest Cost	1.843884%	1.843456%	2.991632%	2.976551%
All-In TIC	2.059374%	2.061594%	3.047486%	3.032261%
Average Coupon	5.000000%	5.000000%	2.938501%	2.965583%
Average Life	1.520	1.523	9.881	9.216
Weighted Average Maturity	1.528	1.531	9.881	1.529
Par amount of refunded bonds	18,235,000.00	10,130,000.00	285,195,000.00	313,560,000.00
Average coupon of refunded bonds	5.750000%	5.595227%	5.000000%	5.009824%
Average life of refunded bonds	1.547	1.550	10.397	9.596
Remaining weighted average maturity of refunded bonds	1.544	1.548	10.386	1.545
PV of prior debt	19,465,846.10	10,770,953.55	341,429,523.35	371,666,322.99
Net PV Savings	965,922.66	505,231.11	22,292,356.63	23,763,510.40
Percentage savings of refunded bonds	5.297081%	4.987474%	7.816531%	7.578617%

SUMMARY OF BONDS REFUNDED

Miami-Dade County, Florida
 Aviation Revenue Refunding Bonds, Series 2019CD&E
 Interest Rates as of June 17, 2019 | Preliminary & Subject to Change

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2009A, 2009A:					
SERIAL	10/01/2020	5.750%	8,865,000.00	10/01/2019	100.000
	10/01/2021	5.750%	9,370,000.00	10/01/2019	100.000
			<u>18,235,000.00</u>		
Series 2009B, 2009B:					
SERIAL	10/01/2020	4.375%	965,000.00	10/01/2019	100.000
	10/01/2020	5.500%	100,000.00	10/01/2019	100.000
	10/01/2020	5.750%	3,855,000.00	10/01/2019	100.000
	10/01/2021	4.500%	750,000.00	10/01/2019	100.000
	10/01/2021	5.750%	4,440,000.00	10/01/2019	100.000
	10/01/2022	4.625%	20,000.00	10/01/2019	100.000
			<u>10,130,000.00</u>		
Series 2012A, 2012A:					
SERIAL	10/01/2027	5.000%	32,335,000.00	10/01/2022	100.000
	10/01/2028	5.000%	48,910,000.00	10/01/2022	100.000
	10/01/2029	5.000%	52,025,000.00	10/01/2022	100.000
	10/01/2030	5.000%	60,195,000.00	10/01/2022	100.000
	10/01/2031	5.000%	63,200,000.00	10/01/2022	100.000
	10/01/2032	5.000%	17,550,000.00	10/01/2022	100.000
			<u>274,215,000.00</u>		
Series 2012B, 2012B:					
SERIAL	10/01/2027	5.000%	10,980,000.00	10/01/2022	100.000
			<u>313,560,000.00</u>		

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SAVINGS

Miami-Dade County, Florida
Aviation Revenue Refunding Bonds, Series 2019CD&E
Interest Rates as of June 17, 2019 | Preliminary & Subject to Change

Date	Prior Debt Service	Prior Recelpts	Prior Net Cash Flow	Refunding Debt Service	Savings
10/01/2019	7,933,809.38	6,611,507.82	1,322,301.56		1,322,301.56
10/01/2020	29,652,618.76		29,652,618.76	27,691,610.53	1,961,008.23
10/01/2021	29,648,500.00		29,648,500.00	26,289,251.00	3,359,249.00
10/01/2022	14,280,675.00		14,280,675.00	12,300,342.00	1,980,333.00
10/01/2023	14,259,750.00		14,259,750.00	12,299,672.00	1,960,078.00
10/01/2024	14,259,750.00		14,259,750.00	12,298,912.00	1,960,838.00
10/01/2025	14,259,750.00		14,259,750.00	12,299,509.50	1,960,240.50
10/01/2026	14,259,750.00		14,259,750.00	12,299,141.50	1,960,608.50
10/01/2027	57,574,750.00		57,574,750.00	55,612,849.50	1,961,900.50
10/01/2028	61,004,000.00		61,004,000.00	59,044,227.50	1,959,772.50
10/01/2029	61,673,500.00		61,673,500.00	59,709,527.50	1,963,972.50
10/01/2030	67,242,250.00		67,242,250.00	65,282,251.00	1,959,999.00
10/01/2031	67,237,500.00		67,237,500.00	65,277,902.50	1,959,597.50
10/01/2032	18,427,500.00		18,427,500.00	16,466,301.00	1,961,199.00
	471,714,103.14	6,611,507.82	465,102,595.32	436,871,497.53	28,231,097.79

Savings Summary

Savings PV date	09/19/2019
Savings PV rate	3.032261%
PV of savings from cash flow	23,763,510.40
Net PV Savings	23,763,510.40

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BOND DEBT SERVICE BREAKDOWN

Miami-Dade County, Florida
 Aviation Revenue Refunding Bonds, Series 2019CD&E
 Interest Rates as of June 17, 2019 | Preliminary & Subject to Change

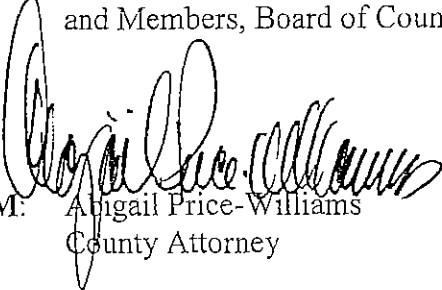
Period Ending	Tax-Exempt Non-AMT (2019C)	Tax-Exempt Non-AMT (2019D)	Taxable (2019E)	Total
10/01/2020	9,912,008.33	5,478,750	12,300,852.20	27,691,610.53
10/01/2021	8,977,500.00	5,013,750	12,298,001.00	26,289,251.00
10/01/2022			12,300,342.00	12,300,342.00
10/01/2023			12,299,672.00	12,299,672.00
10/01/2024			12,298,912.00	12,298,912.00
10/01/2025			12,299,509.50	12,299,509.50
10/01/2026			12,299,141.50	12,299,141.50
10/01/2027			55,612,849.50	55,612,849.50
10/01/2028			59,044,227.50	59,044,227.50
10/01/2029			59,709,527.50	59,709,527.50
10/01/2030			65,282,251.00	65,282,251.00
10/01/2031			65,277,902.50	65,277,902.50
10/01/2032			16,466,301.00	16,466,301.00
	18,889,508.33	10,492,500	407,489,489.20	436,871,497.53



MEMORANDUM
(Revised)

TO: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

DATE: July 23, 2019

FROM: 
Abigail Price-Williams
County Attorney

SUBJECT: Agenda Item No. 8(D)(1)

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
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) 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. 8(D)(1)
7-23-19

RESOLUTION NO. _____

RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED \$400,000,000.00 OF AVIATION REVENUE REFUNDING BONDS, IN ONE OR MORE SERIES, PURSUANT TO SECTION 211 OF AMENDED AND RESTATED TRUST AGREEMENT AND APPLICABLE ORDINANCES FOR PURPOSES OF REFUNDING AND, AS APPLICABLE, REDEEMING CERTAIN OUTSTANDING AVIATION REVENUE BONDS AND REVENUE REFUNDING BONDS WITH ESTIMATED NET PRESENT VALUE SAVINGS OF 7.58%, ESTIMATED COSTS OF ISSUANCE OF \$3,263,165.93 AND ESTIMATED FINAL MATURITY OF OCTOBER 1, 2032, FUNDING RESERVE ACCOUNT, IF NECESSARY, AND PAYING CERTAIN COSTS OF ISSUANCE; PROVIDING FOR CERTAIN DETAILS OF BONDS AND THEIR SALE BY NEGOTIATION; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE, WITHIN CERTAIN LIMITATIONS AND RESTRICTIONS, TO FINALIZE DETAILS, TERMS AND OTHER PROVISIONS OF BONDS; PROVIDING CERTAIN COVENANTS; APPROVING FORMS OF AND AUTHORIZING EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS; AUTHORIZING COUNTY OFFICIALS TO TAKE ALL NECESSARY ACTIONS IN CONNECTION WITH ISSUANCE, SALE AND DELIVERY OF BONDS AND REFUNDING OF BONDS TO BE REFUNDED; WAIVING PROVISIONS OF RESOLUTION NO. R-130-06 AS AMENDED AND PROVIDING SEVERABILITY

WHEREAS, the Board of County Commissioners of Miami-Dade County, Florida (the "Board") has previously enacted a series of ordinances (the "Ordinances") under the provisions of Section 210 of the Trust Agreement dated as of October 1, 1954, as amended (the "Original Trust Agreement"), which Original Trust Agreement was amended and restated by 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”), for the purpose of issuing Aviation Revenue Bonds to finance the cost (“Cost” as defined 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 Section 210 of the Trust Agreement and the Ordinances, the County has issued Aviation Revenue Bonds, exclusive of refunding Bonds, in the aggregate principal amount of \$6,200,000,000.00 to fund certain Costs; and

WHEREAS, pursuant to Section 211 of the Trust Agreement, the County is authorized to issue revenue refunding bonds for the purpose of providing funds for redeeming prior to 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 interest to accrue thereon to the date fixed for their redemption, and paying costs of issuance with respect thereto; and

WHEREAS, the Board desires to authorize the issuance of revenue refunding bonds pursuant to Section 211 of the Trust Agreement in one or more Series (as defined in the Trust Agreement and subject to appropriate designations if issued in more than one Series), in an aggregate principal amount of not exceeding \$400,000,000.00 (the “Series 2019C Bonds”), to provide funds, together with any other legally available funds of the Miami-Dade County Aviation Department (the “Aviation Department”), for the purposes of, (i) refunding and, as applicable, redeeming all or a portion of the outstanding (a) Miami-Dade County, Florida Aviation Revenue Bonds, Series 2009A and Series 2009B, (b) Miami-Dade County, Florida Aviation Revenue Refunding Bonds, Series 2012A (AMT) and Series 2012B (NON-AMT), and (c) other Bonds currently Outstanding under the Trust Agreement that meet the requirements of Resolution R-1313-09 (collectively, the “Refunded Bonds”), which will result in a net present value savings of

five percent (5%) or more of the par amount of the Refunded Bonds, (ii) making a deposit to the Reserve Account (as defined in the Trust Agreement), if necessary, including the deposit of a Reserve Facility or Facilities (as defined in the Trust Agreement), if any, and (iii) paying certain costs of issuance estimated to be \$3,263,165.93 which costs shall be increased by any premiums for any Credit Facility (as defined in the Trust Agreement) and/or Reserve Facility relating to the Series 2019C Bonds, if there is an economic benefit as provided in Section 7 of this resolution (the "Series 2019C Resolution"); and

WHEREAS, Hilltop Securities Inc., financial advisor to the Aviation Department (the "Financial Advisor"), has recommended to the County that a negotiated sale of the Series 2019C Bonds is in the best interest of the County for the reasons set forth in Section 3C of this Series 2019C Resolution; and

WHEREAS, the Board wishes to authorize the County Mayor or the County Mayor's designee (the "County Mayor") to (i) determine the final terms of the Series 2019C Bonds, (ii) execute, if necessary, and deliver any agreements, instruments and certificates in connection with the Series 2019C Bonds, including, without limitation, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, and the Escrow Deposit Agreement (as such terms are defined in this Series 2019C 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 2019C Resolution, and (iv) take all actions and make such further determinations and designations necessary in connection with the issuance and sale of the Series 2019C Bonds and the refunding and, as applicable, redemption of the Refunded Bonds, all subject to the limitations contained in this Series 2019C Resolution; and

WHEREAS, the Board wishes to authorize the execution and delivery of one or more Bond Purchase Agreements (collectively, the “Bond Purchase Agreement”), as the case may be, with Barclays Capital, Inc., as Senior Underwriter and 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 “A” to this Series 2019C 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 connection with the Series 2019C Bonds in substantially the form attached as Exhibit “B” to this Series 2019C Resolution (collectively, the “Preliminary Official Statement”), and one or more final Official Statements (collectively, the “Official Statement”), as the case may be, substantially in the form of the Preliminary Official Statement, all subject to the limitations set forth in Section 8 of this Series 2019C Resolution; and

WHEREAS, the Board wishes to provide for the refunding and, as applicable, redemption of the Refunded Bonds, and in connection with such refunding and redemption, to authorize the execution and delivery of one or more Escrow Deposit Agreements (collectively, the “Escrow Deposit Agreement”), as the case may be, between the County and the Trustee in substantially the form on file at the Clerk’s Office as Exhibit “C” to this Series 2019C Resolution; and

WHEREAS, the Board desires to accomplish the purposes outlined in the accompanying memorandum (the “County Mayor’s Memorandum”), a copy of which is incorporated in this Series 2019C 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 2019C 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 Code of Miami-Dade County, Florida, as amended, and other applicable provisions of law (collectively, the “Act”) and pursuant to Section 211 of the Trust Agreement.

Section 2. **Definitions.** All terms in capitalized form, unless otherwise defined in this Series 2019C Resolution, including the recitals to this Series 2019C Resolution, shall have the same meaning as ascribed to them in the Trust Agreement and the Ordinances. The following terms shall have the meanings set forth below:

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

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

C. “Clerk” means the Clerk of the Board or any Deputy Clerk of the County.

D. “Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated under it.

E. “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.

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

G. “Obligated Person” means, with respect to the Series 2019C 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.

H. “Omnibus Certificate” means a certificate of the County executed by the County Mayor, the Aviation Director and a Deputy Clerk, dated the date of original issuance of the Series 2019C Bonds, setting forth among other things, the information and designations required by Section 3 and Section 5 of this Series 2019C Resolution.

I. “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.

J. “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.

K. “Tax Certificate” means a tax compliance certificate with respect to the Tax-Exempt Bonds (defined below) dated the date of original issuance of such Tax-Exempt Bonds executed by the County Mayor and the Aviation Director regarding, among other things,

restrictions related to rebate of arbitrage earnings to the United States of America and the restrictions prescribed by the Code in order for interest on the Tax-Exempt Bonds to remain excludable from gross income for federal income tax purposes.

L. “Tax-Exempt Bonds” means Series 2019C Bonds issued as AMT Bonds or Non-AMT Bonds, the interest on which is intended on the date of original issuance of such Series 2019C Bonds to be excludable from gross income of the holders thereof for federal income tax purposes.

M. “Taxable Bonds” means Series 2019C Bonds the interest on which is intended on the date of original issuance of such Series 2019C Bonds to not be excludable from gross income of the holders thereof for federal income tax purposes.

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

A. The County is authorized under the Act and the Trust Agreement to issue the Series 2019C Bonds for the valid public purposes of providing funds, together with any other legally available funds of the Aviation Department, to: (a) refund and, as applicable, redeem all or a portion of the Refunded Bonds, which will result in a net present value savings of five percent (5%) or more of the par amount of the Refunded Bonds; (b) make a deposit to the Reserve Account, if necessary, including the deposit of a Reserve Facility or Facilities, if any; and (c) pay certain costs of issuance estimated to be \$3,263,165.93, which costs shall be increased by any premiums for any Credit Facility and/or Reserve Facility relating to the Series 2019C Bonds, if there is an economic benefit as provided in Section 7 of this Series 2019C Resolution.

B. It is necessary, desirable and in the best interest of the County that the Refunded Bonds be refunded and, as applicable, redeemed with proceeds of the Series 2019C Bonds as contemplated in this Series 2019C Resolution.

C. The Financial Advisor has recommended to the County that the Series 2019C Bonds be issued through a negotiated sale, given (i) the structure of the Series 2019C Bonds and flexibility in entering the market, (ii) the nature and financial volatility of the airline industry, and (iii) 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 Mayor has determined that the negotiated sale of the Series 2019C Bonds to the Underwriters is in the best interest of the County and has recommended to the Board that the County sell the Series 2019C Bonds by negotiated sale. The Board accepts the recommendation of the County Mayor.

D. The Board has determined that it is in the best interest of the County to appoint Barclays Capital, Inc., as Senior Underwriter and representative of the Underwriters selected from the County's pool of Underwriters and named in the Bond Purchase Agreement, and sell the Series 2019C Bonds to them through a negotiated sale, but only upon the terms and conditions and subject to the limitations of this Series 2019C Resolution, which terms shall be finalized by the County Mayor 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 2019C Bonds in accordance with Section 5 of this Series 2019C Resolution.

E. The Series 2019C Bonds shall only be issued if (i) there is a net present value savings of five percent (5%) or more of the par amount of the Refunded Bonds resulting from the issuance of the Series 2019C Bonds and the refunding of the Refunded Bonds; and (ii) the final maturity of the Series 2019C Bonds is not longer than the final maturity of the Refunded Bonds.

F. The authority granted to the County Mayor with regard to the issuance of the Series 2019C Bonds as provided in this Series 2019C Resolution is necessary to the proper and efficient

implementation of the provisions of this Series 2019C Resolution in order to achieve the maximum flexibility in the marketplace.

G. The recitals contained in the “WHEREAS” clauses are incorporated into this Series 2019C Resolution as findings and the attached County Mayor’s Memorandum is approved and incorporated into this Series 2019C Resolution.

Section 4. Authorization of Series 2019C Bonds; Conditional Notice of Redemption.

A. Subject and pursuant to the provisions of this Series 2019C Resolution, the Trust Agreement and the County Mayor’s Memorandum and for the purposes of providing funds, together with any other legally available funds of the Aviation Department, to (a) refund and, as applicable, redeem all or a portion of the Refunded Bonds, which will result in a net present value savings of five percent (5%) or more of the par amount of the Refunded Bonds; (b) make a deposit to the Reserve Account, if necessary, including the deposit of a Reserve Facility or Facilities, if any; and (c) pay certain costs of issuance estimated to be \$3,263,165.93, which costs shall be increased by any premiums for any Credit Facility and/or Reserve Facility relating to the Series 2019C Bonds, if there is an economic benefit as provided in Section 7 of this Series 2019C Resolution, the Board authorizes the issuance of the Series 2019C Bonds to be designated as “Miami-Dade County, Florida Aviation Revenue Refunding Bonds, Series 2019C”, or such other appropriate designation or designations (including the year of issuance), with such Series designations as shall be determined by the County Mayor after consultation with Hogan Lovells US LLP and Law Offices of Steve E. Bullock, P.A. (collectively, “Bond Counsel”). Notwithstanding anything in this Series 2019C Resolution to the contrary, the Series 2019C Bonds shall not be issued and delivered until the applicable conditions specified in Section 211 of the

Trust Agreement and in Sections 3(E) and 5(A) of this Series 2019C Resolution have been satisfied.

B. The aggregate principal amount of the Series 2019C Bonds shall not exceed \$400,000,000.00, with the exact principal amount of the Series 2019C Bonds to be determined by the County Mayor after consultation with the Aviation Director, the Financial Advisor and Bond Counsel.

C. The principal of, interest on and redemption premium, if any, with respect to the Series 2019C 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 2019C 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 2019C Bonds.

D. If the Series 2019C 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 County Mayor is hereby authorized, in his discretion, to add to the form of Series 2019C Bonds a provision reflecting this right:

Conditional Notice of Optional 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 (inclusive of expected investment earnings thereon, if any), 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 2019C 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 2019C Bonds called for redemption and not so paid remain Outstanding.

Section 5. Terms of Series 2019C Bonds; Authorization of Bond Purchase Agreement;

Bond Form and Registration.

A. The County Mayor is authorized, after consultation with the Aviation Director and the Financial Advisor, to approve the terms of the Series 2019C Bonds, such approval to be evidenced by the terms and provisions set forth in the Omnibus Certificate, including, without limitation, the number and aggregate principal amount of Series 2019C Bonds to be issued and the Series designations, the authorized denominations of each subseries of Series 2019C Bonds, the dated date of the Series 2019C Bonds, the first interest payment date or dates, the interest rate or rates, the optional and mandatory redemption terms, if any, of the Series 2019C Bonds, whether the Series 2019C Bonds shall be serial bonds, term bonds, AMT Bonds, Non-AMT Bonds, Taxable Bonds or any combination of such bonds, the maturity dates of the Series 2019C Bonds, the maturity amounts as to serial bonds and Amortization Requirements as to term bonds, provided, however, that in no event shall the Series 2019C Bonds be issued if: (i) the aggregate principal amount of the Series 2019C Bonds exceeds \$400,000,000.00; (ii) the net present value savings from the issuance of the Series 2019C Bonds and the refunding of the Refunded Bonds is less than

five percent (5%) of the aggregate par amount of the Refunded Bonds; (iii) any Series 2019C Bonds sold to the Underwriters at one time are sold to the Underwriters at a purchase price less than 98.0% of the original aggregate principal amount of such Series 2019C Bonds (without regard to original issue discount and original issue premium) (the “Minimum Purchase Price”); or (iv) the final maturity of the Series 2019C Bonds exceeds the final maturity of the latest maturing Refunded Bonds.

The County Mayor, 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 2019C 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 County Mayor being conclusive evidence of the Board’s acceptance of the Underwriters’ proposal to purchase the Series 2019C Bonds (which purchase date may consist of one or more dates). The Bond Purchase Agreement shall be in substantially the form of the Bond Purchase Agreement on file at the Clerk’s Office as Exhibit “A” with such changes, insertions and omissions as the County Mayor shall deem necessary and approve in accordance with the terms of this Series 2019C Resolution, upon consultation with the Aviation Director, the Financial Advisor, the Office of the Miami-Dade County Attorney (the “County Attorney”), Bond Counsel, and Nabors, Giblin & Nickerson, P.A. and Manuel Alonso-Poch, P.A. (collectively, “Disclosure Counsel”), and the execution and delivery of the Bond Purchase Agreement by the County Mayor shall be conclusive evidence of the Board’s approval of any such changes, insertions or omissions. If the Series 2019C Bonds are sold and/or issued on different dates, the Series 2019C Bonds may be designated as subseries of the Series 2019C Bonds, and, as such, the Bond Purchase Agreement for each subseries of Series 2019C Bonds sold after the initial sale of the Series 2019C Bonds shall

be in substantially the form of the Bond Purchase Agreement executed and delivered in connection with the initial sale of the Series 2019C Bonds, with such changes, insertions and omissions as may be necessary and approved by the County Mayor in accordance with the terms of this Series 2019C Resolution, after the consultations as described above. The execution and delivery of the Bond Purchase Agreement by the County Mayor shall be conclusive evidence of the Board's approval of any such changes, insertions and omissions and acceptance of the Underwriters' proposal to purchase the Series 2019C Bonds on one or more dates.

B. The Series 2019C 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 2019C Bonds in accordance with the provisions of Section 211 of the Trust Agreement. The Series 2019C 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 2019C Bonds. The County Mayor 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 2019C 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 2019C Bonds ceases to be in effect, the Series 2019C Bonds shall be issued in fully registered form without coupons, registered in the names of the owners of the Series 2019C Bonds.

C. Interest payments with respect to the Series 2019C Bonds shall be paid by check or draft mailed to the registered owner of Series 2019C Bonds at its address as it appears on the registration books of the Trustee on the Regular Record Date therefor; provided however, (i) so long as the Series 2019C Bonds shall continue to be held in book-entry form and registered in the name of DTC or its nominee, the interest on and the principal or redemption price of the Series

2019C Bonds shall be paid by wire transfer to a bank within the continental United States for deposit to an account designated by DTC or its nominee, and (ii) at any time that the Series 2019C Bonds shall not be held in book-entry form and registered in the name of DTC or its nominee, any Series 2019C Bondholder owning Series 2019C 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 2019C Bondholder, at the expense of such Series 2019C Bondholder.

Section 6. Application of Proceeds.

Proceeds from the sale of the Series 2019C Bonds shall be applied as follows: to the extent set forth in the Omnibus Certificate, (I) a portion of the proceeds necessary, together with other legally available funds of the Aviation Department and any investment earnings thereon, to fund the refunding and redemption and/or payment at maturity of the Refunded Bonds shall be deposited with the Trustee under the provisions of the Escrow Deposit Agreement; (II) a portion of the proceeds shall be deposited with the Trustee to the credit of the Reserve Account in the Sinking Fund, if necessary; and (III) the balance of the proceeds of the Series 2019C 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 or subseries of the Series 2019C Bonds, as contemplated in the Trust Agreement, to be applied to pay certain costs of issuance of the Series 2019C Bonds 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 2019C Bonds.

Section 7. Approval of Credit Facilities and Reserve Facilities. If the County Mayor determines, 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 County Mayor is authorized to secure one or more Credit Facilities and/or Reserve Facilities with respect to the Series 2019C Bonds. The County Mayor 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 2019C Bonds secured by such Credit Facility under the Trust Agreement, as may be approved by the County Mayor upon advice of the County Attorney and Bond Counsel. The execution and delivery of such agreements or instruments for and on behalf of the County shall be conclusive evidence of the Board's approval of such agreements or instruments.

Section 8. Approval of the Preliminary Official Statement and Final Official Statement. The Preliminary Official Statement in connection with the offering and sale of the Series 2019C Bonds substantially in the form attached as Exhibit "B" to this Series 2019C Resolution, and its distribution and use, with such changes, insertions and omissions as may be determined by the County Mayor, 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 County Mayor, after consultation with Disclosure Counsel, is authorized to deem the Preliminary Official Statement "final" for the purposes of the Rule. The County Mayor is authorized and directed to deliver the final Official Statement in connection with the offering and sale of the Series 2019C Bonds in the name and on behalf of the County. The final Official

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Statement shall be substantially in the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be determined by the County Mayor, 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 County Mayor, 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 County Mayor 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 deemed final Preliminary Official Statement, if and to the extent required by the Rule. If the Series 2019C Bonds are sold on different dates, the Preliminary Official Statement and the Official Statement for each subseries of Series 2019C Bonds offered after the initial offering of the Series 2019C Bonds 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 County Mayor, after consultation as described above, and provided further that the County Mayor may approve the use of Preliminary Official Statements and final Official Statements, after consultation as described above, that include as an exhibit thereto the Official Statement for the prior offering if the County Mayor determines that such an approach results in the most efficient offering and sale of the Series 2019C Bonds consistent with good disclosure practices.

Section 9. Tax Covenants.

A. The County hereby represents to and covenants with the registered owners of the Series 2019C 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 (other than

interest on any Tax-Exempt Bonds with respect to which Bond Counsel have opined that such excludability will not apply when such Tax-Exempt Bonds are held by a person who is deemed a “substantial user” of the financed facilities or a “related person” within the meaning of Section 147(a) of the Code).

B. 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:

- (1) to make or cause to be made all necessary determinations and calculations of the Rebate Amount and required payments of the Rebate Amount;
- (2) 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;
- (3) 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;
- (4) to maintain and retain all records pertaining to the Rebate Amount, and required payments of the Rebate Amount, with respect to the Tax-Exempt Bonds for at least six years after the final maturity thereof or such other period as shall be necessary to comply with the Code;
- (5) to refrain from taking (or omit taking) any action that would cause any Tax-Exempt Bond originally issued as other than a private activity bond under Section 141(a) of the Code to be classified as a private activity bond under such section;
- (6) to refrain from taking any action that would cause the Tax-Exempt Bonds to become arbitrage bonds under Section 148 of the Code; and

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

C. 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 the Tax-Exempt Bonds.

D. Notwithstanding any other provision of this Series 2019C 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 2019C Bonds.

E. The County Mayor 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 2019C 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"), with the first such installment of Annual Information to be provided with respect to the Fiscal Year ending September 30, 2019:

(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 2019C

Bonds, and such additional operating information as may be determined by the Aviation Department; and

(2) The audited Aviation Department's Comprehensive Annual Financial Report 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 2019C Bonds who requests such information in writing. The audited Aviation Department's Comprehensive Annual Financial Report referred to in paragraph (2) above is 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 the audited financial 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 (not in excess of ten (10) business days) after the occurrence of the event, 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 2019C Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Tax-Exempt Bonds, or other material events affecting the tax status of the Tax-Exempt Bonds;

(7) modifications to rights of Registered Owners of the Series 2019C Bonds, if material;

(8) Series 2019C Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the Series 2019C Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the County (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County);

(13) The consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the

ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee, or the change of name of a trustee, if material;

(15) Incurrence of a financial obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of an Obligated Person, any of which affect holders of the Series 2019C Bonds, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an Obligated Person, any of which reflect financial difficulties.

For purposes of subsections (15) and (16) above, “financial obligation” shall have the meaning set forth in the Rule.

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 2019C 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 2019C Bonds.

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 2019C 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, however, that the Trustee's right to enforce the provisions of this undertaking shall be on behalf of all Beneficial Owners and shall be limited to a right to obtain specific performance of the County's obligations 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 2019C 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 2019C Bonds. In the event that the Securities and Exchange Commission approves any additional MSIRs after the date of issuance of the Series 2019C 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 2019C Bonds. The requirements of subsection A above may be met by the filing of an annual information statement or the audited Aviation Department's Comprehensive Annual Financial Report 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 2019C 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 2019C 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 the County along with full documentary support as part of the written request described above.

J. The Board further authorizes and directs the County Mayor 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 County Mayor shall further be authorized to make such additions, deletions and modifications to the Covenants prior to the issuance of the Series 2019C Bonds as he shall deem necessary or desirable in consultation with the County Attorney, Bond Counsel and Disclosure Counsel.

K. Any change in Obligated Persons shall be reported by the County in connection with its Annual Information. If any person, other than the County, becomes an Obligated Person relating to the Series 2019C 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.

Section 11. Refunding or Redemption of Refunded Bonds; Escrow Deposit Agreement; Verification Agent.

A. The Board approves the refunding and, as applicable, redemption of the Refunded Bonds. The County Mayor is authorized to determine the date(s) of redemption of the Refunded Bonds in consultation with the Financial Advisor and Bond Counsel. Notwithstanding anything to the contrary contained in this Series 2019C Resolution, the County Mayor, after consultation with the Aviation Director, the Financial Advisor, the County Attorney and Bond Counsel, is authorized to determine to refund and redeem and/or to pay at maturity only a portion of the Refunded Bonds.

B. The County Mayor is authorized to execute and deliver the Escrow Deposit Agreement in connection with the refunding and redemption and/or payment at maturity of the

Refunded Bonds. The Escrow Deposit Agreement shall be in substantially the form of the Escrow Deposit Agreement on file at the Clerk's Office as Exhibit "C" to this Series 2019C Resolution with such changes, insertions and omissions as the County Mayor, after consultation with the Aviation Director, the Financial Advisor, the County Attorney and Bond Counsel, shall deem necessary or desirable, and the execution and delivery of the Escrow Deposit Agreement by the County Mayor on behalf of the County shall be conclusive evidence of the Board's approval of any such changes, insertions or omissions. The Trustee is hereby designated the Escrow Agent under the Escrow Deposit Agreement.

C. The County Mayor, after utilizing a competitive process and consultation with the Financial Advisor, is further authorized to appoint a verification agent to render reports on the sufficiency of funds and investments held under the Escrow Deposit Agreement necessary to accomplish the refunding and redemption and/or payment at maturity of the Refunded Bonds as contemplated in this Series 2019C Resolution.

Section 12. Authorizations.

A. The County Mayor and the Clerk are authorized and directed, individually or in combination, to execute the Series 2019C 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 2019C 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 2019C Bonds provided in the Trust Agreement.

B. The Trustee is authorized and directed, upon receipt of instructions from the County Mayor, to execute the Trustee's Certificate of Authentication on each of the Series 2019C Bonds and to deliver such Series 2019C Bonds to or upon the order of the Underwriters named in the Bond Purchase Agreement, upon payment of the purchase price for the Series 2019C Bonds and upon compliance with the other requirements for delivery of bonds set forth in the Trust Agreement and pertaining to the Series 2019C Bonds.

C. The County Mayor is authorized to approve the investment of proceeds of the Series 2019C Bonds held under the provisions of the Trust Agreement and the Escrow Deposit 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 and the Escrow Deposit Agreement.

Section 13. **Further Action.** The County Mayor, the Clerk, the County Attorney, the Aviation Director and the County's other officials and officers, as well as its attorneys (including without limitation Bond Counsel and Disclosure Counsel), 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 2019C Bonds and the refunding and redemption of the Refunded Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Series 2019C Resolution, the Series 2019C Bonds and the related documents. In the event that the County Mayor, the Clerk, 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 2019C 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 14. Severability of Invalid Provisions. In case any one or more of the provisions of this Series 2019C 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 2019C 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 in this Series 2019C Resolution. All or any part of resolutions or proceedings in conflict with the provisions of this Series 2019C Resolution are to the extent of such conflict repealed or amended to the extent of such inconsistency.

Section 15. Governing Law; Venue. The Series 2019C Bonds are to be issued and this Series 2019C 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 16. No Recourse Against County's Officers. No covenant, agreement or obligation contained in this Series 2019C 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 2019C Bonds shall be liable personally on the Series 2019C Bonds or be subject to any personal liability or accountability by reason of the issuance of the Series 2019C 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 2019C 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 2019C Resolution.

Section 17. 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 Mayor for the reasons set forth in the County Mayor's Memorandum.

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

- | | |
|--------------------------------|----------------------|
| Audrey M. Edmonson, Chairwoman | |
| Rebeca Sosa, Vice Chairwoman | |
| Esteban L. Bovo, Jr. | Daniella Levine Cava |
| Jose "Pepe" Diaz | Sally A. Heyman |
| Eileen Higgins | Barbara J. Jordan |
| Joe A. Martinez | Jean Monestime |
| Dennis C. Moss | Sen. Javier D. Souto |
| Xavier L. Suarez | |

The Chairperson thereupon declared this resolution duly passed and adopted this 23rd day of July, 2019. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the 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.

JRA

Juliette R. Antoine

EXHIBIT "A"

BOND PURCHASE AGREEMENT

(on file with the Clerk's Office)

EXHIBIT "B"
PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST __, 2019

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS: See "RATINGS"

In the opinion of Co-Bond Counsel to the County to be delivered upon the issuance of the Series 2019 Bonds, under existing law and assuming compliance by the County with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Series 2019 Bonds, with which the County has certified, represented and covenanted its compliance, interest on the Series 2019C Bonds and on the Series 2019D Bonds is excluded from gross income for federal income tax purposes, except with respect to interest on the Series 2019C Bonds for any period during which such Series 2019C Bonds are held by a person who is a "substantial user" of the facilities financed 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. Also in the opinion of Co-Bond Counsel to the County, to be delivered upon the issuance of the Series 2019 Bonds, the Series 2019 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein. Interest on the Series 2019E Bonds is not excluded from gross income for federal income tax purposes. See "TAX MATTERS" for a more detailed discussion.



\$ _____ *
MIAMI-DADE COUNTY, FLORIDA

\$ _____ *
Aviation Revenue
Refunding Bonds,
Series 2019C
(Non-AMT)

\$ _____ *
Aviation Revenue
Refunding Bonds,
Series 2019D
(Non-AMT)

\$ _____ *
Aviation Revenue
Refunding Bonds,
Series 2019E
(Taxable)

Dated: Date of delivery

Due: October 1, as shown on inside cover page

Miami-Dade County, Florida (the "County"), is issuing its \$ _____ * Aviation Revenue Refunding Bonds, Series 2019C (Non-AMT) (the "Series 2019C Bonds"), its \$ _____ * Aviation Revenue Refunding Bonds, Series 2019D (Non-AMT) (the "Series 2019D Bonds"), and its \$ _____ * Aviation Revenue Refunding Bonds, Series 2019E (Taxable) (the "Series 2019E Bonds" and, together with the Series 2019C Bonds and the Series 2019D Bonds, the "Series 2019 Bonds"). The Series 2019 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 2019 Bonds. So long as the Series 2019 Bonds are in book-entry form, purchases of beneficial interests in the Series 2019 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 2019 BONDS."

Interest on the Series 2019 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, 2020.]

Principal of and interest on the Series 2019 Bonds will be payable at the corporate trust offices of The Bank of New York Mellon Trust Company, N.A. (successor in interest to JPMorgan Chase Bank), as trustee (the "Trustee"), in New York, New York. So long as DTC or its nominee is the registered owner of the Series 2019 Bonds, payments of the principal of and interest on the Series 2019 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 2019 BONDS – Book-Entry Only System."

The Series 2019C Bonds and Series 2019D Bonds are not subject to optional redemption prior to maturity. Certain of the Series 2019E Bonds will be subject to optional redemption prior to maturity at the prices, in the manner and at such times as set forth in this Official Statement. See "THE SERIES 2019 BONDS – Redemption."

The Series 2019 Bonds are being issued to provide funds, together with any other legally available funds of the Miami-Dade County Aviation Department, for the purposes of: (a) refunding all or a portion of certain Outstanding aviation revenue bonds of the County as described in this Official Statement and (b) paying certain costs of issuance relating to the Series 2019 Bonds. See "INTRODUCTORY STATEMENT" and "PLAN OF REFUNDING."

THE SERIES 2019 BONDS WILL BE SPECIAL, LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM A PLEDGE OF NET REVENUES (AS DESCRIBED IN THIS OFFICIAL STATEMENT) DERIVED FROM THE PORT AUTHORITY PROPERTIES (AS DEFINED HEREIN), INCLUDING THE OPERATION OF THE MIAMI INTERNATIONAL AIRPORT, AS DESCRIBED IN THIS OFFICIAL STATEMENT, AND CERTAIN OTHER MONIES. THE SERIES 2019 BONDS WILL BE SECURED ON A PARITY BASIS WITH THE COUNTY'S OUTSTANDING BONDS 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 2019 BONDS. THE ISSUANCE OF THE SERIES 2019 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 PAYMENT OF THE SERIES 2019 BONDS OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT EXCEPT FROM THE NET REVENUES AND CERTAIN OTHER MONIES PLEDGED TO THE PAYMENT OF THE SERIES 2019 BONDS UNDER THE TRUST AGREEMENT.

See the inside cover page for maturities, principal amounts, interest rates, yields, prices and initial CUSIP numbers of the Series 2019 Bonds.

This cover page contains information for quick reference only. It is not a summary of the Series 2019 Bonds. Investors must read the entire Official Statement, including the APPENDICES attached hereto, to obtain information essential to the making of an informed investment decision. Unless otherwise specified, cross-references are to specific captioned sections of this Official Statement.

The Series 2019 Bonds are offered when, as and if issued by the County and accepted by the Underwriters, subject to opinions on certain legal matters relating to their issuance of Hogan Lovells US LLP, Washington, DC, and Law Offices of Steve E. Bullock, P.A., Miami, Florida, Co-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 Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Manuel Alonso-Poch, P.A., Miami, Florida, Co-Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, _____, _____, _____. The Financial Advisor to the Miami-Dade County Aviation Department is Hilltop Securities Inc., Miami, Florida. It is expected that the Series 2019 Bonds will be available for delivery through DTC in New York, New York on or about September _____, 2019.

Barclays

Cabrera Capital Markets, LLC

RBC Capital Markets

Blaylock Van, LLC

Drexel Hamilton

Loop Capital Markets

BofA Merrill Lynch

Estrada Hinojosa & Company, Inc.

Morgan Stanley & Co.

Ramirez & Co., Inc.

Rice Financial Products Company

Citigroup

Jefferies

Siebert Cisneros Shank & Co, LLC

Dated: August __, 2019

*Preliminary, subject to change.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS,
PRICES AND INITIAL CUSIP NUMBERS OF THE SERIES 2019 BONDS**

\$ _____⁽¹⁾
**AVIATION REVENUE REFUNDING BONDS,
SERIES 2019C
(NON-AMT)**

Maturity Date (October 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP No.⁽²⁾
--	-----------------------------	--------------------------	--------------	--------------	--

\$ _____⁽¹⁾
**AVIATION REVENUE REFUNDING BONDS,
SERIES 2019D
(NON-AMT)**

Maturity Date (October 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP No.⁽²⁾
--	-----------------------------	--------------------------	--------------	--------------	--

⁽¹⁾ Preliminary, subject to change.

⁽²⁾ CUSIP numbers have been assigned by an organization not affiliated with the County and are included solely for the convenience of the holders of the Series 2019 Bonds. The County is not responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2019 Bonds or as indicated above. The CUSIP numbers are subject to being changed after execution and delivery of the Series 2019 Bonds as a result of various subsequent actions including, but not limited to, a refunding in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2019 Bonds.

\$ _____⁽¹⁾
**AVIATION REVENUE REFUNDING BONDS,
 SERIES 2019E
 (TAXABLE)**

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

⁽¹⁾ Preliminary, subject to change.

⁽²⁾ CUSIP numbers have been assigned by an organization not affiliated with the County and are included solely for the convenience of the holders of the Series 2019 Bonds. The County is not responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Series 2019 Bonds or as indicated above. The CUSIP numbers are subject to being changed after execution and delivery of the Series 2019 Bonds as a result of various subsequent actions including, but not limited to, a refunding in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2019 Bonds.

MIAMI-DADE COUNTY, FLORIDA
Carlos A. Gimenez, Mayor

MEMBERS OF THE BOARD OF COUNTY COMMISSIONERS
Audrey M. Edmonson, Chairwoman
Rebeca Sosa, Vice-Chairwoman

Name	District	Name	District
Barbara J. Jordan	1	Daniella Levine Cava	8
Jean Monestime	2	Dennis C. Moss	9
Audrey M. Edmonson	3	Senator Javier D. Souto	10
Sally A. Heyman	4	Joe A. Martinez	11
Eileen Higgins	5	Jose "Pepe" Diaz	12
Rebeca Sosa	6	Esteban L. Bovo, Jr.	13
Xavier L. Suarez	7		

COUNTY CLERK
Harvey Ruvin

COUNTY ATTORNEY
Abigail Price-Williams, Esq.

DEPUTY MAYOR / FINANCE DIRECTOR
Edward Marquez

AVIATION DEPARTMENT
Lester Sola
Aviation Director and Chief Executive Officer

Kenneth A. Pyatt
Deputy Aviation Director

Sergio San Miguel
Chief Financial Officer

Oscar Aguirre
Capital Finance Manager

CO-BOND COUNSEL
Hogan Lovells US LLP
Washington, DC
Law Offices of Steve E. Bullock, P.A.
Miami, Florida

CO-DISCLOSURE COUNSEL
Nabors, Giblin & Nickerson, P.A.
Tampa, Florida
Manuel Alonso-Poch, P.A.
Miami, Florida

FINANCIAL ADVISOR
Hilltop Securities Inc.
Miami, Florida

INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
Cherry Bekaert LLP
Tampa, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE COUNTY, THE MIAMI-DADE COUNTY AVIATION DEPARTMENT (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. ANY WEBSITE ADDRESSES SET FORTH HEREIN ARE INCLUDED FOR CONVENIENCE OF REFERENCE ONLY. INFORMATION AVAILABLE AT SUCH ADDRESSES IS NOT INCORPORATED HEREIN BY REFERENCE. 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 2019 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 2019 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 2019 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 2019 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 2019 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 2019 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 2019 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 WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. 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 WEBSITES.

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," AND "AVIATION DEPARTMENT FINANCIAL INFORMATION - MANAGEMENT'S DISCUSSION OF FINANCIAL INFORMATION" 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 OFFICIAL STATEMENT IS IN THE FORM DEEMED FINAL BY THE COUNTY FOR PURPOSES OF RULE 15c2-12 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

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OFFICIAL STATEMENT

relating to

\$ _____ *
MIAMI-DADE COUNTY, FLORIDA

\$ _____ *
Aviation Revenue
Refunding Bonds,
Series 2019C
(Non-AMT)

\$ _____ *
Aviation Revenue
Refunding Bonds,
Series 2019D
(Non-AMT)

\$ _____ *
Aviation Revenue
Refunding Bonds,
Series 2019E
(Taxable)

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 (the "Port Authority Properties") and other assets owned by the County and operated by the Miami-Dade County Aviation Department (the "Aviation Department") and other information in connection with the issuance and sale of the County's \$ _____ * Aviation Revenue Refunding Bonds, Series 2019C (Non-AMT) (the "Series 2019C Bonds"), its \$ _____ * Aviation Revenue Refunding Bonds, Series 2019D (Non-AMT) (the "Series 2019D Bonds"), and its \$ _____ * Aviation Revenue Refunding Bonds, Series 2019E (Taxable) (the "Series 2019E Bonds" and, together with the Series 2019C Bonds and the Series 2019D Bonds, the "Series 2019 Bonds").

The Series 2019 Bonds are being issued pursuant to (1) Chapters 125 and 166, Florida Statutes (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 Trust Company, N.A. (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-____-19 (the "Series 2019 Resolution") adopted by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") on [July 23], 2019, approving the issuance of the Series 2019 Bonds. See "AUTHORIZATION FOR THE SERIES 2019 BONDS" and "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

The Series 2019C Bonds are being issued to provide funds, together with any other legally available funds of the Aviation Department, for the purposes of (a) refunding and redeeming, as applicable, all or a portion of the outstanding Miami-Dade County, Florida Aviation Revenue Bonds, Series 2009A (the "Refunded Series 2009A Bonds") and (b) paying the costs of issuing the Series 2019C Bonds and the refunding of the Refunded Series 2009A Bonds. The Series 2019D Bonds are being issued to provide funds, together

*Preliminary, subject to change.

with legally available funds of the Aviation Department, for the purposes of (a) refunding and redeeming, as applicable, all or a portion of the outstanding Miami-Dade County, Florida Aviation Revenue Bonds, Series 2009B (the "Refunded Series 2009B Bonds") and (b) paying the costs of issuing the Series 2019D Bonds and the refunding of the Refunded 2009B Bonds. The Series 2019E Bonds are being issued to provide funds, together with legally available funds of the Aviation Department, for the purposes of (a) refunding and redeeming, as applicable, all or a portion of the outstanding (i) Miami-Dade County, Florida Aviation Revenue Refunding Bonds, Series 2012A (AMT) (the "Refunded Series 2012A Bonds"), and (ii) Miami-Dade County, Florida Aviation Revenue Refunding Bonds, Series 2012B (Non-AMT) (the "Refunded Series 2012B Bonds" and, collectively with the Refunded Series 2009A Bonds, the Refunded Series 2009B Bonds and the Refunded Series 2012A Bonds, the "Refunded Bonds"), and (b) paying the costs of issuing the Series 2019E Bonds and refunding the Refunded Series 2012A Bonds and Refunded Series 2012B Bonds. See "PLAN OF REFUNDING" for a detailed description of the portion of the listed Series of Outstanding Bonds being refunded.

The Series 2019 Bonds are payable from and are secured by a pledge of Net Revenues (as described in this Official Statement) of the Port Authority Properties. See "SECURITY FOR THE SERIES 2019 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 (Miami-Opa locka Executive Airport, Homestead General Aviation Airport and Miami 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 facilities or improvements of the County's airports that are designated as Port Authority Properties pursuant to the Trust Agreement.

Reference herein to "Port Authority Properties" means the Port Authority Properties as the same exist unless otherwise indicated. Port Authority Properties do not include any facilities or improvements at the County's airports financed by obligations not issued under the Trust Agreement or not otherwise designated as Port Authority Properties under the Trust Agreement. The entire airport system operated by the County is referred to herein as the "Airport System."

The Airport is located approximately seven miles west of the downtown area of the City of Miami and includes approximately 3,230 acres and approximately 184 buildings. [As of the first quarter of 2019, the Airport provided approximately 478 departing non-stop daily flights to 170 airports throughout the United States and around the world.] The Airport provides service to most capital and secondary cities in South America, Central America and the Caribbean and many major cities in Europe and other parts of the world. [As of December 31, 2018, a total of 108 international destinations were served, and for the 12-month period ended December 31, 2018, a total of 45.0 million passengers traveled through the Airport.]

American Airlines is the predominant carrier at the Airport. Including the operation of its affiliate, Envoy Air, Inc., which operates under the American Eagle brand, American Airlines accounted for approximately 66.0% and 67.0% of the enplaned passengers at the Airport and approximately 37.5% and 37.1% of Airport revenues during the 12-month periods ended December 31, 2017, and December 31, 2018, respectively.

While the Net Revenues of all Port Authority Properties are pledged under the Trust Agreement, the majority of Net Revenues are generated by the Airport. 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 (as defined below), including the Series 2019 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 2019 BONDS – Pledge of Net Revenues," "– Rate Covenant" and "– Airline Use Agreement," "CERTAIN INVESTMENT CONSIDERATIONS – PFC Collections" and "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

The Series 2019 Bonds are being issued on a parity basis with the \$ _____ aggregate principal amount of aviation revenue bonds currently Outstanding, as defined in the Trust Agreement (the "Outstanding Bonds"), and not otherwise being refunded with the proceeds of the Series 2019 Bonds and other legally available funds of the Aviation Department, 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 basis with the Outstanding Bonds and the Series 2019 Bonds. See "SECURITY FOR THE SERIES 2019 BONDS – Issuance of Additional Bonds" and "– Issuance of Refunding Bonds." The Series 2019 Bonds, the Outstanding Bonds and any Additional Bonds and Refunding Bonds hereafter issued on a parity basis 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 B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

This Official Statement contains descriptions of, among other matters, the Series 2019 Bonds, the Trust Agreement, the Aviation Department, the Airport, its facilities and operations, the capital improvement program ("CIP") of the Aviation Department, and the Terminal Optimization Program which comprises a portion of 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"). See "APPENDIX G – BOOK-ENTRY ONLY SYSTEM." Neither the County nor the Underwriters have provided information in this Official Statement with respect to DTC, and neither the County nor the Underwriters certify as to the accuracy or sufficiency of the disclosure policies of or content provided by DTC, and neither are 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. References in this Official Statement to the Series 2019 Bonds are qualified in their entirety by reference to the form of the Series 2019 Bonds included in the Trust Agreement.

Audited financial statements of the Aviation Department for the Fiscal Year ended September 30, 2018, are included as APPENDIX A. A summary of certain provisions of the Trust Agreement is included as APPENDIX B. A summary of certain provisions of the 2018 Airline Use Agreement and the Preferential Gate Use Agreement is included as APPENDIX C. The substantially final form of the approving opinions to be delivered by Hogan Lovells US LLP and Law Offices of Steve E. Bullock, P.A., Co-Bond Counsel, is included as APPENDIX D. The substantially final form of the opinions to be delivered by Nabors, Giblin & Nickerson, P.A. and Manuel Alonso-Poch, P.A., Co-Disclosure Counsel, is included as APPENDIX E. The County's continuing disclosure undertaking is 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 B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT" for definitions of certain of those terms.

AUTHORIZATION FOR THE SERIES 2019 BONDS

Pursuant to the Act, the County is authorized to construct, acquire, establish, improve, extend, enlarge, reconstruct, equip, maintain, repair and operate projects, within or outside the territorial boundaries of the County, 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 the 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 40 years from their date of issuance for any of the purposes set forth in the Act, including for the purpose of refunding bonds previously issued thereunder. 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 2019 Bonds are being issued pursuant to the Act, the Trust Agreement and the Series 2019 Resolution.

PLAN OF REFUNDING

The net proceeds of the Series 2019C Bonds will be applied, together with any other legally available funds of the Aviation Department, for the purposes of (a) refunding and redeeming, as applicable, the Refunded 2009A Bonds, and (b) paying the costs of issuing the Series 2019C Bonds and refunding the Refunded Series 2009A Bonds.

The net proceeds of the Series 2019D Bonds will be applied, together with any other legally available funds of the Aviation Department, for the purposes of (a) refunding and redeeming, as applicable, the Refunded Series 2009B Bonds and (b) paying the costs of issuing the Series 2019D Bonds and refunding the Refunded Series 2009B Bonds.

The net proceeds of the Series 2019E Bonds will be applied, together with any other legally available funds of the Aviation Department, for the purposes of (a) refunding and redeeming, as applicable, the Refunded Series 2012A Bonds and Refunded Series 2012B Bonds and (b) paying the costs of issuing the Series 2019E Bonds and refunding the Refunded Series 2012A Bonds and Refunded Series 2012B Bonds.

The maturities of the Refunded Bonds are summarized in the following table:

<u>Bond</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>	<u>Call Date</u>	<u>Call Price</u>
Series 2009A	10/01/2020	5.750%	\$ 8,865,000	10/01/2019	100.000
	10/01/2021	5.750	9,370,000	10/01/2019	100.000
Series 2009B	10/01/2020	4.375%	\$ 965,000	10/01/2019	100.000
	10/01/2020	5.500	100,000	10/01/2019	100.000
	10/01/2020	5.750	3,855,000	10/01/2019	100.000
	10/01/2021	4.500	750,000	10/01/2019	100.000
	10/01/2021	5.750	4,440,000	10/01/2019	100.000
	10/01/2022	4.625	20,000	10/01/2019	100.000
Series 2012A	10/01/2027	5.000%	32,335,000	10/01/2022	100.000
	10/01/2028	5.000	48,910,000	10/01/2022	100.000
	10/01/2029	5.000	52,025,000	10/01/2022	100.000
	10/01/2030	5.000	60,195,000	10/01/2022	100.000
	10/01/2031	5.000	63,200,000	10/01/2022	100.000
	10/01/2032	5.000	17,550,000	10/01/2022	100.000
Series 2012B	10/01/2027	5.000%	\$ 10,980,000	10/01/2022	100.000
			\$313,560,000		

The County will enter into an irrevocable Escrow Deposit Agreement with the Trustee relating to the refunding of the Refunded Bonds (the "Escrow Agreement"). The Escrow Agreement will provide that cash and/or direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America (the "Government Obligations") will be deposited to the escrow fund created under the Escrow Agreement (the "Escrow Fund"). Such Government Obligations will mature and bear interest at times and in amounts sufficient, together with any uninvested cash in such escrow fund, to pay principal of and interest on the Refunded Bonds from the

date the Series 2019 Bonds are issued until the Refunded Bonds are called for redemption.
_____ (the "Verification Agent"), has verified the arithmetic accuracy of the mathematical computations of the adequacy of the maturing principal of and interest on the Government Obligations deposited to the Escrow Fund to pay the Refunded Bonds through their respective redemption dates. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds derived from the sale of the Series 2019 Bonds and other legally available funds are expected to be applied as follows:

	<u>Series 2019C</u>	<u>Series 2019D</u>	<u>Series 2019E</u>	<u>Total</u>
SOURCES OF FUNDS:				
Aggregate Par Amount				
Plus/Less Net Original Issue Premium/Discount				
Other Legally Available Funds ⁽¹⁾				
TOTAL SOURCES				
USES OF FUNDS:				
Deposit to Escrow Fund				
Underwriters' Discount ⁽²⁾				
Costs of Issuance ⁽³⁾				
TOTAL USES				

⁽¹⁾ Represents amount held in funds and accounts under the Trust Agreement for the Refunded Bonds.

⁽²⁾ Includes fees of Underwriters' Counsel.

⁽³⁾ Includes fees of Co-Bond Counsel, Co-Disclosure Counsel, Financial Advisor, Verification Agent and other costs of issuing the Series 2019 Bonds.

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THE SERIES 2019 BONDS

General

The Series 2019 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 2019 Bonds will be payable on April 1 and October 1 of each year, commencing on [April 1, 2020]. Certain of the Series 2019 Bonds will be subject to optional redemption as described in this Official Statement. The Series 2019 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 2019 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 2019 Bonds are in book-entry only form, the registered owner of the Series 2019 Bonds will be Cede & Co. for all purposes of the Trust Agreement and the principal of and interest on the Series 2019 Bonds will be payable as described under "THE SERIES 2019 BONDS – Book-Entry Only System."

Redemption

The Series 2019 Bonds are subject to optional and mandatory redemption prior to their stated maturity, as set forth below.

No Optional Redemption of Series 2019C Bonds

The Series 2019C Bonds shall not be subject to optional redemption prior to maturity.

No Optional Redemption of Series 2019D Bonds

The Series 2019D Bonds shall not be subject to optional redemption prior to maturity.

Optional Redemption of Series 2019E Bonds

The Series 2019E Bonds maturing on or before October 1, 20___, shall not be subject to optional redemption prior to maturity. The Series 2019E Bonds maturing on or after October 1, 20___ may be redeemed prior to their respective maturities at the option of the County, either in whole or in part, from any monies that may be available for such purpose, on any date on or after _____, at a redemption price equal to 100% of the principal amount of such Series 2019E Bonds or portion of such Series 2019E Bonds to be redeemed, plus accrued interest to the date of redemption, without premium.

Redemption of Portions of the Series 2019E Bonds

In the event of a partial redemption of the Series 2019E Bonds, the Series 2019E Bonds may be redeemed in any order of maturity determined by the County. If less than all of the Series 2019E Bonds of any one maturity shall be called for redemption, the particular Series 2019E 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 2019 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 2019E Bonds for redemption may be altered in order to conform to the requirements of DTC.

Notice and Effect of Redemption; Conditional Notice

Notice of the proposed redemption of any Series 2019E Bonds shall be mailed, postage prepaid, to Cede & Co., as nominee of DTC, as registered owner of the Series 2019E Bonds, or, if DTC is no longer the registered owner of the Series 2019 Bonds, to the then registered owners of the Series 2019E Bonds, as applicable, which notice shall be mailed at least 30 days prior to the date fixed for redemption (the "Redemption Date").

The Series 2019 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 monies, in an amount equal to the amount necessary to effect the redemption (inclusive of expected investment earnings thereon), 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 monies 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 2019E Bonds. Any Series 2019E 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 2019E Bonds that the redemption did not occur and that the Series 2019E Bonds called for redemption and not so paid remain Outstanding.

No interest shall accrue after the Redemption Date of any Series 2019E Bonds if notice has been duly given as provided in the Trust Agreement and payment for such Series 2019E Bonds has been duly provided, and in such event, the Series 2019E Bonds (or portion of such Series 2019E Bonds) called for redemption will no longer be protected by the lien of the Trust Agreement, but shall be secured solely by the monies held for the redemption payment of such Series 2019E 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 2019 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 not less than a majority in principal amount of the Outstanding Bonds. See "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Remedies of Bondholders."

Book-Entry Only System

DTC will act as securities depository for the Series 2019 Bonds pursuant to a book-entry system. Information regarding DTC and its book-entry system appears as APPENDIX G. Such information has been provided by DTC, and the County assumes no responsibility for the accuracy or completeness of such information. The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

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 2019 Bond certificates, the County may notify DTC and the Trustee, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2019 Bond certificates. In such event, the County shall prepare and execute, and the Trustee shall authenticate, transfer and exchange, Series 2019 Bond certificates as requested by DTC in appropriate amounts and within the guidelines set forth in the Series 2019 Resolution. DTC also may determine to discontinue providing its services with respect to the Series 2019 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 2019 Bond certificates as described herein. In the event Series 2019 Bond certificates are issued, the provisions of the Trust Agreement and the Series 2019 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 Series 2019 Bonds in certificated form. 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 2019 Bonds to any DTC Participant having Series 2019 Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2019 Bonds.

SECURITY FOR THE SERIES 2019 BONDS

Pledge of Net Revenues

The Series 2019 Bonds and all other Outstanding Bonds and the interest on the Series 2019 Bonds and all other Outstanding 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 2019 Bonds and all other Outstanding Bonds does not include any mortgage or lien or any security interest in any of the Port Authority Properties.

"Net Revenues" is 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 monies 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 monies 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 monies received from the sale of property. "Current Expenses" is 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 B – 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 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 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 until paid out or transferred as provided in the Trust Agreement, subject to certain limitations provided in the Trust Agreement.

THE SERIES 2019 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 MONIES. THE SERIES 2019 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 OR THE COUNTY NOR THE FAITH AND CREDIT OF ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OR THE COUNTY ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2019 BONDS. THE ISSUANCE OF THE SERIES 2019 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR THE COUNTY OR ANY AGENCY OR POLITICAL SUBDIVISION OF THE STATE OR THE COUNTY TO LEVY ANY TAXES FOR THE PAYMENT OF THE SERIES 2019 BONDS OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT EXCEPT FROM THE NET REVENUES AND CERTAIN OTHER MONIES PLEDGED TO THE PAYMENT OF THE SERIES 2019 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 deposits to the credit of 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 credit of 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. See "AVIATION DEPARTMENT FINANCIAL INFORMATION - Historical Financial Results."

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 for purposes of meeting the Rate Covenant (i.e., the dollar amount of debt service that the Rate Covenant requires to be covered each year with the 20% coverage factor). As discussed in the next paragraph, 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.

The Aviation Department deposited \$54,500,000, \$55,000,000, \$53,000,000, \$63,000,000 and \$58,000,000 of PFCs into the Bond Service Account for Fiscal Years 2014 through 2018, respectively. On October 4, 2018, the Aviation Department transferred \$55,000,000 in PFC revenues to the Sinking Fund for payment of Fiscal Year 2019 Principal and Interest Requirements. The Aviation Department plans to continue to make such deposits in the future, although the amount may vary depending on numerous factors at the time the budget is prepared. To the extent such PFC amounts or other Revenues are not available for deposit into the Bond Service Account, airline rates and charges under the Airline Use Agreement would be increased to make up the difference, which would result in an increase in the airlines' costs per enplaned passenger. For Fiscal Years 2014 through 2018, the airlines' costs per enplaned passenger were \$20.56, \$19.93, \$19.85, \$19.83 and \$19.20, respectively. The Aviation Department's forecasted cost per enplaned passenger for Fiscal Year 2019 is \$19.87. See "FUNDING SOURCES FOR CAPITAL PROJECTS - Passenger Facility Charges." See "APPENDIX C - SUMMARY OF CERTAIN PROVISIONS OF THE 2018 AIRLINE USE AGREEMENT AND THE PREFERENTIAL GATE USE AGREEMENT" for additional information on the airlines' costs per enplaned passenger.

The Trust Agreement provides that the County may enter into new leases and other agreements and 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

Introduction

The Airline Use Agreement (the "AUA") is the primary document between the County and the airlines operating at the Airport (the "Airlines") that identifies the Airlines' rights and obligations for their use of MIA. The AUA (1) sets forth (a) the County's operating policies such as gate and ticket counter assignments and ground and cargo handling regulations, (b) the mechanism for the Airlines' approval of capital improvement projects for the Airport System, and (c) the rates and charges methodologies that apply to the calculation of landing fees, terminal building rental rates and aviation fees, and (2) confirms the Airlines' acceptance of the landing fees being determined under the Airport System residual methodology, which assures collection of revenues sufficient to meet the 120% bond coverage requirement.

The Aviation Department and the Airlines recently negotiated a new AUA called the "2018 AUA," whose terms will extend for approximately fifteen years, expiring on April 30, 2033. The 2018 AUA was approved by the Board of County Commissioners at its July 24, 2018, meeting and became effective August 10, 2018. [As of March 2019, 89% of the 90 scheduled air carriers operating at the Airport have executed the 2018 AUA and are Signatory Airlines.]

2018 AUA

The 2018 AUA obligates the Signatory Airlines to pay landing fees ("Landing Fees") and other charges including specifically those required to meet the Rate Covenant

Requirement under the Trust Agreement or any successor financing document, for so long as Signatory Airlines operate at the Airport or any other airport in the Airport System or until a new airline use agreement is adopted, whichever is earlier. In addition, each Signatory Airline has consented 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 Fee Calculation and Payment*" and "*Terminal Rents and User Fees*" under this caption.

The 2018 AUA requires the Aviation Department to consult with the Miami Airport Affairs Committee (the "MAAC") to review Capital Projects for the Airport System. The MAAC is composed of at least eleven (11) Signatory Airlines drawn from the highest thirty-five (35) airlines by landed weight at MIA, each of which must be in good standing under the 2018 AUA. The MAAC must use best efforts to include at least one European passenger airline, one Caribbean/Central American passenger airline, one South American passenger airline, one cargo airline, and one regional airline, even if any such airlines are not among the top 35 Signatory Airlines by landed weight, and any Signatory Airline among the top 10 airlines on the Aviation Department's landed weight list for the prior year if the Signatory Airline requests to be a member. Any otherwise eligible MIA airline may request the MAAC to permit such airline to be a MAAC member, and the MAAC shall give due consideration to such request. In no event shall the MAAC be required to have more than twenty-one (21) members.

The 2018 AUA also provides that the MAAC's review is either (1) a disapproval review of those Capital Projects required to be reviewed by the MAAC through a majority-in-interest of the MAAC members (an "MII" decision) or else (2) when the Airport's annual projection of airline costs per enplaned passenger exceeds \$35.00 (in 2018 dollars) in six or more years of the 10-year projection period, a moratorium is placed on Capital Projects that may nonetheless be completed by the Aviation Department if (a) the MAAC fails to disapprove a project through the MII process during a moratorium upon submission of the project for the MAAC's review, or (b) after a drop in the airline cost per enplaned passenger below \$35 (in 2018 dollars), the project is approved by the Board. The MII review and disapproval process is described in "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE 2018 AIRLINE USE AGREEMENT AND THE PREFERENTIAL GATE USE AGREEMENT."

As part of the 2018 AUA, each Signatory Airline has agreed that the MAAC will represent the interests of all airlines operating at the Airport in making decisions required by the 2018 AUA and that any decision of the MAAC made through the MII process will be binding on all Signatory Airlines. An MII decision is a decision made by a combination of Signatory Airlines in good standing with the MAAC that (1) are not less than 51% in number of the then existing MAAC members and (2) collectively with their Affiliated Airlines (as defined in the 2018 AUA) represent more than 25% of the total landed weight

for which Landing Fees were paid during the previous Fiscal Year by all [MAAC] Airlines and their Affiliated Airlines.

The 2018 AUA contains two significant changes from the previous AUA: (i) the parties agreed that Signatory Airlines would have the right to use certain gates on a preferential use basis, and (ii) beginning in Fiscal Year 2020, all fees associated with international arriving passengers would be charged under an international use rate, so that only carriers with international arriving passengers that utilize the Federal Inspection Services ("FIS") facility will pay for the terminal space costs related to the international arriving facilities. The costs related to the latter change were previously recovered through the basic Concourse Use Fee charged to all arriving and departing aircraft seats at MIA.

Regarding preferential use gates, the 2018 AUA confirms the long-standing policy of the County that all gates at the Airport—whether used on a common use basis or a preferential use basis—are not leased nor are they to be used on an exclusive basis. The Aviation Department alone has the right to determine which of the current 138 gates at MIA are eligible for use on a preferential use basis, and the Aviation Department has initially determined that 77 of the 138 gates are so eligible, leaving 61 gates to be used on a common use basis. Of the 77 gates eligible for use on a preferential basis, 61 gates are at the North Terminal currently occupied by American Airlines, with the remaining 16 gates located throughout the other five concourses.

The 2018 AUA contains explicit qualification requirements for an airline's eligibility for continued use of a preferential use gate, and provides specific procedures allowing the Aviation Department to recapture a preferential use gate that is not being sufficiently utilized by an airline. An airline having a preferential use gate is required to sign a Preferential Gate Use Agreement and to allow the Aviation Department to assign to airlines on a daily basis the use of the preferential use gate in the event the gate becomes available on any day. The Aviation Department retains its exclusive right to make the daily assignments of common use gates to the airlines.

[Remainder of page intentionally left blank]

Noted below is a table that highlights the major provision changes from the previous AUA to the 2018 AUA.

Major Changes in 2018 AUA
MAAC review process of capital projects - Majority-in-Interest ("MII") decision is less restrictive. All projects submitted to the MAAC are deemed to be approved unless disapproved by an MII vote. Requires only a disapproval review for the various review levels, including a moratorium.
Gate usage - previously all MIA gates were utilized on a common use basis whereas the 2018 AUA will allow for preferential use gate assignment and usage based on certain operational qualifications. All non-preferentially used gates continue to be common use gates.
International Facility Fee - Aviation Department will not only recover costs for equipment and services specific to the FIS facilities at MIA on a per international arriving aircraft seat basis but will also recover the terminal space costs for the FIS facilities at MIA, which will no longer be recovered through the base Concourse Use Fee.
Base Concourse Use Fee - Aviation Department will charge for usage of common use gates to recover the holdroom and post-security circulation space costs on a per aircraft seat basis and charges for preferential use gates will be based on a per square foot cost for the holdroom space and a portion of the post-security circulation space.
All other Aviation Fees - Aviation Department will recover costs related to certain areas of the terminal (baggage claim, security screening and outbound baggage makeup) on a per arriving or departing aircraft seat basis with the only change being that the terminal space costs related to the area used for passenger and employee security screening are added to the Security Screening Fee and no longer recovered through the base Concourse Use Fee.

As part of executing the 2018 AUA, the Federal Aviation Administration (the "FAA") requires the Aviation Department to submit to the FAA an "Updated Competition Plan" to "demonstrate how the Aviation Department will provide for new entrant access and expansion by incumbent carriers at MIA." The Aviation Department submitted its Updated Competition Plan to the FAA, which was approved by the FAA in September 2018. Under federal law, an airport is required to have a Competition Plan as a condition to (i) the FAA's approval of the collection or use of any new passenger facility charges imposed at the Airport and (ii) the FAA's award to the Aviation Department of any FAA grant funds.

Aviation Capital Account and Sub-Accounts

Under the previous AUA, the Aviation Department created the Aviation Capital Account and its two sub-accounts, the Retainage Sub-Account and the Performance Sub-Account. The initial setup provided that the Retainage Sub-Account be funded annually

in an amount up to \$5,000,000 from monies in the Improvement Fund, subject to a maximum cumulative balance of \$15,000,000. The 2018 AUA contains similar requirements but with increased maximum annual contributions and cumulative balance amounts of \$7,600,000 and \$28,800,000, respectively. 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 with the third calendar quarter of 2018 to serve as the base time period. The Performance Sub-Account may be funded annually from monies 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 2018 AUA). There is no cap on the annual deposit to, or the balance in, the Performance Sub-Account.

[As of December 31, 2018, the estimated balance in the Retainage Sub-Account was \$27.2 million and the balance in the Performance Sub-Account was \$10.3 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 monies will not be subject to a lien in favor of holders of the Bonds. The Aviation Department may use the monies in the Retainage Sub-Account and the Performance Sub-Account for any lawful aviation-related purposes. For instance, monies in the Retainage Sub-Account have been used to pay the Florida Department of Transportation State Infrastructure Bank loan as further described under "AVIATION-RELATED DEBT – Other Airport-Related Debt."

Landing Fee Calculation and Payment

The 2018 AUA provides that the County establish a landing fee rate (the "Landing Fee Rate") under a residual methodology as described in "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE 2018 AIRLINE USE AGREEMENT AND THE PREFERENTIAL GATE USE AGREEMENT." Based upon the proposed annual budget for the 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 will meet with the MAAC to review the proposed budget and the calculation of the Landing Fee Rate as stated in the 2018 AUA. The Landing Fee Rate may also be adjusted on April 1st of each year or to meet emergencies at any other time. 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 debt).

As set forth in the 2018 AUA, an airline will pay 100% of the Landing Fee Rate and certain aviation use fees (collectively the "Aviation Fees") during the initial ninety-day period and if it has not both signed the 2018 AUA and qualified for the Aviation User Credit Program ("AUCP") within the ninety-day period, the Airline must pay 110% during a second ninety-day period retroactive to [the effective date of the 2018 AUA or] its first day of service. If the Airline fails to both sign the 2018 AUA and qualify for the AUCP within the second ninety-day period, the Airline must pay 150% of the fees, retroactive to [the effective date of the 2018 AUA] or the Airline's first day of service. Under the 2018 AUA, all AUCP fees are due by the 15th calendar day of the following month. Any airline, however, whether a Signatory or Non-Signatory Airline under the 2018 AUA that does not participate in the AUCP or fails to comply with the terms of the AUCP, is required to pay 150% of Aviation Fees in cash or its equivalent each time it uses the Airport facilities. A copy of the 2018 AUA is available upon request from the Aviation Department, and a summary of certain provisions of the 2018 AUA is contained in "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE 2018 AIRLINE USE AGREEMENT AND THE PREFERENTIAL GATE 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 or preferential use space, including concourses and passenger hold rooms. An airline using either exclusive use space, preferential use 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 cost-based, equalized rate setting methodology mentioned above, 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. Under the 2018 AUA, the holdroom area associated with a preferential use gate will be charged on a per square foot basis to the carrier with the preferential use rights to the gate along with a proportionate share of post-security passenger circulation space.

Airlines requiring exclusive use space in the Terminal Building have entered into separate five-year Terminal Building Lease Agreements ("TBLAs") covering their rights and obligations regarding the use of such space. Each TBLA grants the tenant two lease rights: (1) the general right to occupy undesignated space in the Terminal Building that is appropriate for the airline tenant's aeronautical needs, and (2) the airline's specific right to lease the designated Terminal Building premises identified in the TBLA. The TBLA is on a month-to-month term not to exceed five years for the specifically designated portion of the Terminal Building, with either party having the right to cancel the lease for such specific space on 30 days' notice. The month-to-month 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, 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. As a result, under both the terms of the TBLA that allow an airline to terminate the lease on 30 days' notice and the terms of the 2018 AUA that obligates an airline to pay landing and Aviation Fees only for so long as it uses the Airport, an airline may discontinue its operations at the Airport 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 1/60th 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 monies 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 monies on deposit in the Reserve Account, the excess monies 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 monies 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 described 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"). Upon the issuance of the Series 2019 Bonds, the Reserve Facilities remaining on deposit in the Reserve Account that are below the Threshold (the "Deficient Reserve Facilities") will be excluded from the calculation of the Reserve Account Requirement until such Deficient Reserve Facilities are upgraded to the Threshold. In the event such Deficient Reserve Facilities meet the Threshold, the County shall withdraw cash from the Reserve Account to the extent of any excess above the Reserve Account Requirement. Such excess shall be transferred by the Trustee 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 in a certificate signed by the Aviation Director and filed with the Trustee and the Co-Trustee in accordance with the Trust Agreement.

Upon the issuance of the Series 2019 Bonds and the refunding of the Refunded Bonds, the Reserve Account Requirement for all Bonds Outstanding is \$_____. The actual amounts and the values of Reserve Facilities credited to the Reserve Account Requirement are set forth in the table below, together with cash and investments held in the Reserve Account in order to meet the Reserve Account Requirement.

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**Reserve Account Surety Policies and Cash and Investments
Held to Meet Reserve Account Requirement
as of [May 8], 2019**

Provider	Expiration Date	Surety Amount	Value Credited to the Reserve Account Requirement
Assured Guaranty Municipal Corp.	10/1/2036	\$15,126,564	\$ 15,126,564
Financial Guaranty Insurance Corporation ⁽¹⁾	10/1/2035	7,156,087	0
MBIA Insurance Corporation ⁽¹⁾	10/1/2024	6,763,108	0
Financial Guaranty Insurance Corporation ⁽¹⁾	10/1/2037	6,897,438	0
CIFG Assurance North America, Inc. ⁽²⁾	10/1/2038	3,332,670	3,332,670
Syncora Guarantee, Inc. ⁽¹⁾	10/1/2040	8,278,287	0
Assured Guaranty Corp.	10/1/2038	6,802,095	6,802,095
Assured Guaranty Municipal Corp.	10/1/2041	8,836,139	8,836,139
Total Value Credited to the Reserve Account Requirement ⁽¹⁾			\$ 34,097,468
Cash and Market Value of Investments			[161,367,777]
Total Coverage			\$195,465,245
Additional Series 2019A Deposit			2,476,268
Total			\$197,941,513

⁽¹⁾ The value of the Reserve Facilities provided by Financial Guaranty Insurance Corporation, MBIA Insurance Corporation 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 to the Reserve Account Requirement from Reserve Facilities as of the date of this Official Statement, is \$34,097,468.17, rather than the aggregate face amount of the Reserve Facilities of \$63,192,387.80. However, the County still expects to draw on these surety policies, if necessary.

⁽²⁾ On or about July 5, 2016, CIFG Holding Inc., the parent company of CIFG Assurance North America, Inc. merged with and into Assured Guaranty Corp. As a result, the referenced Reserve Facility is now a direct insurance obligation of Assured Guaranty Corp. and is included in the total value of the Reserve Facilities credited to the Reserve Account Requirement, as the credit rating of Assured Guaranty Corp. is above the required Threshold.

Monies 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.

Issuance of Additional Bonds

The County may issue aviation revenue bonds under Section 210 of the Trust Agreement, on a parity basis with Bonds Outstanding under the Trust Agreement, at any time or times for the purpose of, among other things, paying all or part of the cost of any additional Improvements or Projects or any portions thereof, including the payment of any notes or other obligations of the County or the repayment of any advances made from any source to temporarily finance such cost ("Additional Bonds"). Such Additional Bonds may not be issued unless, among other things:

- (i) the proceeds (excluding accrued interest) of such Additional Bonds to be applied to the cost of the Improvements or Project or portions thereof to be

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

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

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

The County may issue Additional Bonds under the Trust Agreement for completion of a Project being financed by a Series of Bonds without satisfying the above described financial test if proceeds of such Series of Bonds issued for such Project are insufficient to complete such Project. See "APPENDIX B – 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 Section 211 of the Trust Agreement payable on a parity basis 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 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, 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 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 B – 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.

The Series 2019 Bonds are being issued as Refunding Bonds under the Trust Agreement.

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 until paid out or transferred as provided in the Trust Agreement.

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.

Monies 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 16% of its budgeted Current Expenses as an Operating Reserve), the Co-Trustee shall, on the 20th day of each month, cause the balance of monies 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 $1/6^{\text{th}}$ 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 $1/12^{\text{th}}$ 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 $1/12^{\text{th}}$ of the Amortization Requirement, if any, for such Fiscal Year for any term Bonds then Outstanding, plus an amount equal to $1/12^{\text{th}}$ 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 monies in the Sinking Fund;

(iii) to the credit of the Reserve Account in the Sinking Fund held by the Trustee, an amount equal to $1/60^{\text{th}}$ 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

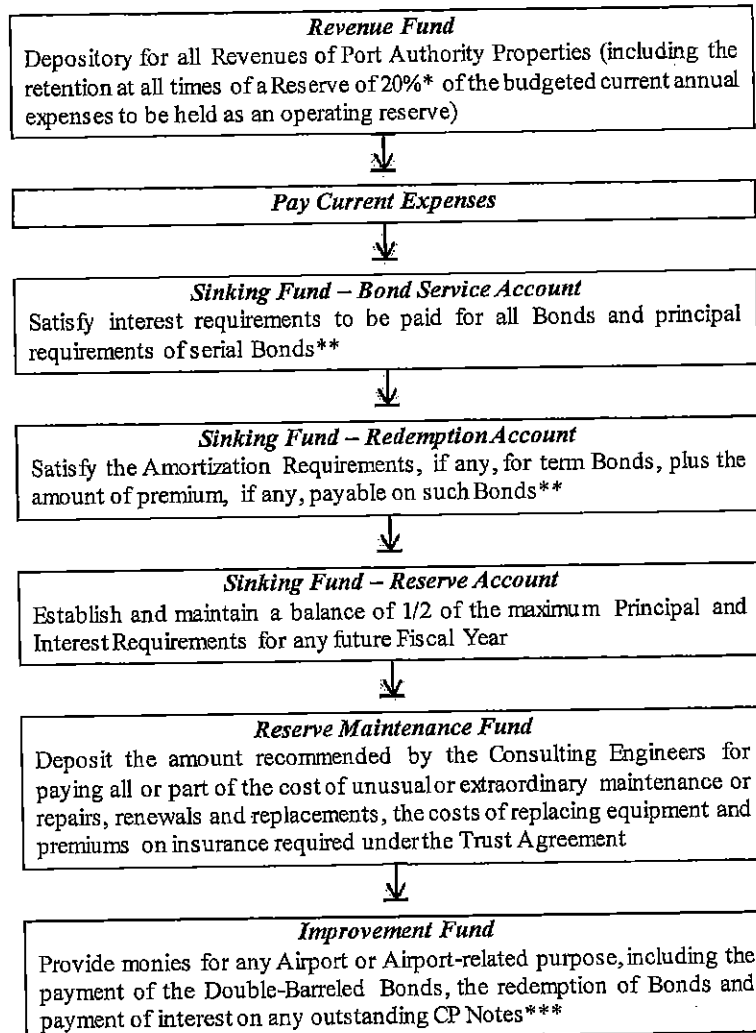
(v) to the credit of the Improvement Fund held by the Co-Trustee, the balance, if any, of monies in the Revenue Fund after the aforementioned required deposits to the Bond Service Account, the Redemption Account, the Reserve Account and the Reserve Maintenance Fund, unless the County by resolution directs

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 B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT."

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



Note: * The Trust Agreement authorizes the Board to designate a lesser percentage by resolution. Currently, the Board budgets 16% of the budgeted current expenses as an operating reserve.
 ** 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 and deposited into the Bond Service Account or Redemption Account for such purpose.
 *** Certain monies are transferred annually from the Improvement Fund to the Revenue Fund pursuant to the terms of the 2018 AUA. Such transferred deposits to the Revenue Fund are treated as Revenues under the Trust Agreement. In addition, monies on deposit in the Aviation Capital Account of the Improvement Fund are used to pay debt service on the FDOT State Infrastructure Bank Loan.

CERTAIN INVESTMENT CONSIDERATIONS

Payment of the Series 2019 Bonds is dependent on the collection of Net Revenues in an amount sufficient to pay debt service on the Series 2019 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, payment of debt service on the Series 2019 Bonds depends on the sufficiency of Revenues generated by the Airport and other Port Authority Properties.

This section provides a general overview of certain investment considerations that should be taken into account, in addition to the other matters set forth in this Official Statement, in evaluating an investment in the Series 2019 Bonds and the sufficiency of the Revenues expected to be generated by the Airport and other Port Authority Properties. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the Series 2019 Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of the investment considerations. Potential investors in the Series 2019 Bonds are advised to consider the following factors, among others, and to review this entire Official Statement to obtain information essential to the making of an informed investment decision. Any one or more of the investment considerations discussed below, among others, could lead to a decrease in the market value and/or the marketability of the Series 2019 Bonds. There can be no assurance that other investment considerations not discussed herein will not become material in the future.

Factors Affecting Air Transportation Industry

The generation of Revenues is heavily dependent on the volume of the commercial flights, the number of passengers, and the amount of cargo processed at the Airport. All three are dependent upon 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 and government shutdowns, (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, (7) currency values and (8) world-wide infectious diseases (e.g., Ebola and SARS). The airline industry has faced and will continue to face economic challenges, reflecting both increased costs and overall economic conditions. As a result, airlines have faced major financial losses and, in some cases, bankruptcy. See "Airline Economic Considerations - *Airline Bankruptcies*" under this caption. Increased costs and other factors arising from the September 11, 2001 terrorist attacks and related regulatory reaction are discussed separately below in "Security Requirements." Other particular factors are discussed below.

American Airlines

American Airlines is the predominant carrier at the Airport having served MIA as a hub carrier since 1989 when it purchased Eastern Airlines' Latin American routes. Including the operation of American Eagle, American Airlines accounted for approximately 66.0% and 67.0% of the enplaned passengers at the Airport and approximately 37.5% and 37.1% of Airport revenues during the 12-month periods ended December 31, 2017 and December 31, 2018, respectively.

American Airlines was founded in 1930 as American Airways and renamed American Airlines in 1934. The company is the principal wholly-owned subsidiary of American Airlines Group Inc. (AAG), formerly known as AMR Corporation ("AMR"). American Airlines has hubs in Charlotte, Chicago, Dallas/Fort Worth, Los Angeles, Miami, New York, Philadelphia, Phoenix and Washington, D.C. As of the end of 2018, American Airlines operated 956 mainline aircraft and 595 regional aircraft. American Airlines is supported by AAG's wholly-owned regional airline subsidiaries and third-party regional carriers operating as American Eagle and together offer an average of nearly 6,700 flights daily to nearly 350 destinations in more than 50 countries. American Airlines is a founding member of the oneworld® alliance, whose members and members-elect serve nearly 1,000 destinations with 14,250 daily flights to over 150 countries. American Airline's cargo division provides a wide range of freight and mail services, with facilities and interline connections available across the globe. In 2015, American Airlines Group Inc. topped Fortune magazine's list of best business turnarounds and its stock (NASDAQ: AAL) joined the S&P 500 index.

The following information regarding American Airlines' financial results of operations has been derived from AAG's filings with the SEC, including its filing on Form 10-K of the audited financial results of AAG for the full year ended December 31, 2018. See "CONTINUING DISCLOSURE – Airline Disclosure."

[For the year ended December 31, 2018, AAG reported operating income of \$2.7 billion versus \$4.2 billion reported for the year ended December 31, 2017. In addition, as of December 31, 2018, AAG had approximately \$7.6 billion in total available liquidity, consisting of unrestricted cash and short-term investments of \$4.8 billion and \$2.8 billion in undrawn revolving credit facilities, along with a restricted cash and short-term investments position of \$154 million.]

Airline Economic Considerations

Overview

The financial strength and stability of airlines serving the Airport will affect future airline traffic. For the last nine years, the U.S. airline industry has been moderately profitable, following 10 years of stagnation during which carriers accumulated combined losses of \$50 billion. To mitigate such losses, U.S. carriers merged, reduced their route networks and flight schedules, and negotiated with employees, lessors, and vendors to cut costs. These mitigation tactics have often occurred within the context of the carriers' Chapter 11 federal bankruptcy proceedings. In the last 10 -11 years, the mega-mergers have consisted of Delta and Northwest in 2008, Southwest and AirTran in 2010 and United and Continental in 2010. The most recent mega-merger is that between American Airlines and U.S. Airways in December 2013 and on a lesser scale, Virgin America and Alaska Airlines merged in 2018.

These mitigation measures have contributed to the return to industry profitability, as reflected in the realization of record profits in 2015. However, airline net profits in the U.S. were down just under \$11 billion in 2016, bringing in \$14.0 billion in 2016 compared to \$24.8 billion in 2015. In 2017, the net profits increased to \$15.5 billion, which is 10.2% over 2016. The U.S. Department of Transportation Bureau of Transportation Statistics released statistics that reported that both fuel and labor costs increased in 2017.

Largely as a result of consolidations, U.S. scheduled air carriers' overall domestic capacity, as measured by available seat miles, declined 10.3% from 2007 to 2009 with the 2007 measurement as the high and the 2009 measurement as the low. By 2015, domestic capacity by U.S. scheduled carriers had recovered back to the 2007 level and by October 2018 domestic capacity had increased to 14.1% above 2007, as measured by available seat miles. By comparison, international capacity for U.S. air carriers has increased 19.3% between 2007 and October 2018, as measured by available seat miles.

The volatility in jet fuel prices, which track just above crude oil prices, has significantly affected airlines' operating costs over the last 11 years. The price of jet fuel peaked in the second quarter of 2008 to just below \$180.00 per barrel, as contrasted with the world price of [\$77.69 per barrel as of February 1, 2019 as reported by the International Air Transport Association.] American Airlines reported in its 2017 Form 10-K Annual Report the following:

With respect to fuel costs, the price of Brent crude oil per barrel, which jet fuel prices tend to follow, was on average approximately 33% higher in 2018 as compared to 2017. The average daily spot price for Brent crude oil during 2018 was \$72 per barrel as compared to an average daily spot price of \$54 per barrel during 2017. On a daily basis, Brent crude oil prices fluctuated during 2018 between a high of \$86 per barrel to a low of \$50 per barrel, and closed the year on December 31, 2018 at \$54 per barrel. Brent crude oil prices were higher in the 2018 period due principally to reductions of global inventories driven by strong demand and continued production restraint led primarily by the Organization of Petroleum Exporting Countries. U.S. sanctions against Iran, coupled with declining output from Venezuela further limited supply. Concerns about slowing global growth and lower demand for oil surfaced in the fourth quarter of 2018 causing Brent crude oil prices to drop.

Fuel costs are expected to remain volatile and may affect future increases in passenger traffic, which depend on stable international conditions as well as national and global economic growth. Any resumption of financial losses could force airlines to further retrench, merge, consolidate, 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 connecting hub airports, offer business opportunities for the remaining airlines, and change air travel patterns throughout the U.S. and the world aviation system.

Impact of Boeing 737 MAX Grounding

[On March 13, 2019, following two deadly aircraft crashes involving the Boeing 737 MAX airplane, the FAA's Acting Administrator issued an Emergency Order of Prohibition (the "FAA Order"). The FAA Order prohibits the operation of two series of the Boeing 737 MAX airplane in the territory of the United States for passenger carrying operations until the FAA Order is rescinded or modified. The FAA Order concludes that similarities between the two crashes warrant further investigation of the possibility of a shared cause for the two incidents.

In February 2019, prior to the grounding of all Boeing 737 MAX planes, the 737 MAX accounted for 8.2% of flight operations at MIA, compared to 1.0% in the U.S. overall. Thirty-seven of 354 average daily departing American Airlines flights and two GOL Airlines flights were operated with 737 MAX aircraft in February 2019. The initial impact on the Airport was a decrease of approximately 25 to 30 flights per day; however, after the first two to three weeks of cancellations, American adjusted its schedule to decrease its number of flights and replaced several 737 MAX with other aircraft to lower the number of canceled flights. GOL Airlines has shifted to 737-800 aircraft for one of its two daily flights and has suspended the other.]

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 usually 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 either on account of services provided to the airline prior to the bankruptcy filing date or the airline's use of airport facilities prior to the bankruptcy filing date (such services or use being referred to as "pre-petition" items). Thus, the Aviation Department's stream of payments from a debtor airline may be interrupted to the extent such payments are for pre-petition items, including any accrued rent, Landing Fees, aviation fees, and PFCs. For any domestic or foreign airline not intending to continue operating at MIA, the airline will likely reject all contracts with the Airport, and the Airport's recovery of amounts owed to it under the contracts prior to the filing date will typically be limited to the security deposits on hand for that airline and the percentage distribution of the airline's assets that all creditors receive at the conclusion of the bankruptcy proceeding.

On the other hand, an airline in bankruptcy that plans to continue operating at MIA will not typically reject its terminal building leases (the "TBLAs") or its current AUA (see "SECURITY FOR THE SERIES 2019 BONDS--Airline Use Agreement") because there is no economic advantage in doing so. A bankrupt company usually rejects executory leases and contracts to avoid long-term commitments in the documents, unusual contract terms, or high fixed fees. However, all TBLAs (i) are on a month to month basis, (ii) have

standard terms, and (iii) are based on standardized fees applicable to all airlines. In turn, the 2018 AUA (a) set forth the conditions under which an airline can operate at the Airport and have the same terms for all airlines, (b) contain a highly advantageous credit program that permits airlines to pay landing and other fees on a monthly basis rather than on a daily basis each time an aircraft lands at the Airport, and (c) impose a 50% administrative charge on landing and aviation fees for airlines not participating in the credit program. For all these reasons, an airline in bankruptcy that plans to continue operations at the Airport at the same level of activity would have little economic incentive to reject either its TBLA or its AUA. Moreover, the County has the statutory and regulatory right to impose such fees on the airline regardless of any contractual arrangement with the airline, so the airline must always pay the post-petition rentals and landing and aviation fees for actual use of the Airport regardless of whether or not it has rejected the TBLA or AUA. There can be no assurance, however, that an airline in bankruptcy will not seek to avoid its contractual obligations under its TBLA or AUA. See "SECURITY FOR THE SERIES 2019 BONDS – Airline Use Agreement" and "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE 2018 AIRLINE USE AGREEMENT AND THE PREFERENTIAL GATE USE AGREEMENT."

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

International Traffic

International traffic constituted over 48% of the Airport's passenger traffic in Fiscal Year 2018. See "AIRPORT TRAFFIC ACTIVITY" and "AVIATION DEPARTMENT FINANCIAL INFORMATION – Historical Financial Results."

Additional Information on Airlines

Certain of the Signatory Airlines under the 2018 AUA and other airlines operating at the Airport (or their respective parent corporations) file reports and other information with the Securities and Exchange Commission (SEC). These filings are collectively referred to as the "SEC Reports." Certain information, including financial information, as of particular dates, concerning each such airline (or their respective parent corporations) is included in the SEC Reports. These SEC Reports can be found on the SEC website, <https://www.sec.gov/search/search.htm>.

In addition, each Signatory Airline and certain other airlines are required to file periodic reports of financial and operating statistics with the United States Department of Transportation ("U.S. DOT"). Such reports can be inspected at the following location: Research and Innovative Technology Administration, U.S. Department of Transportation, 1200 New Jersey Avenue, SE, Washington, DC 20590 or at <http://www.rita.dot.gov/contacts/> and copies of such reports can be obtained from the Department of Transportation at prescribed rates. The foreign airlines also provide certain

In December 2017 MIA reopened its E-Federal Inspection Station processing international arriving passengers utilizing facial recognition. This is the first Federal Inspection Station in the United States to process all of its arriving passengers with the use of this new technology. [In 2019, the Aviation Department anticipates both the D and J Federal Inspection Stations will process all of their arriving passengers with facial recognition technology.]

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 enplaned passenger, subject to certain exceptions. The applicable airline collects the PFCs and remits them monthly to the Airport net of a \$0.11 per PFC administrative charge.

PFCs constitute a substantial portion of revenues collected by the Aviation Department, providing \$79.5 million and \$82.1 million for the Fiscal Years ended September 30, 2017 and 2018, respectively. [Collections for the three-month periods ended on December 31, 2017 and December 31, 2018, were \$19.4 million and \$21.1 million, respectively.] 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. See "FUNDING SOURCES FOR CAPITAL PROJECTS – Passenger Facility Charges."

Use of PFCs; Rate Covenant

PFCs provide a portion of the funding for the CIP, including terminal construction. 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. Failure to make such deposits as aforesaid may result in an increase in the airlines' costs per enplaned passenger. 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 "SECURITY FOR THE SERIES 2019 BONDS – Rate Covenant" and "FUNDING SOURCES FOR CAPITAL PROJECTS – 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

information concerning their operations and financial affairs, which may be obtained from the respective airlines.

The Federal Budget and Sequestration

Another factor that has affected the industry in the last several years is the federal deficit reductions enacted through implementation of the sequestration provisions of the Budget Control Act of 2011, which established automatic cuts to the federal legislation's discretionary budget authority based upon certain spending thresholds. The sequestration provisions were first triggered in 2013, cutting the budgets of federal agencies, including the Federal Aviation Administration ("FAA"), Customs and Border Patrol Agency ("CBP") and Transportation Security Administration ("TSA"). While reductions have continued in some form in every year since, Congress has acted several times to prevent "sequester" cuts to discretionary programs. The most recent of these actions was the Bipartisan Budget Act of 2018 (BBA18), which prevents automatic discretionary sequester cuts for 2018 and 2019. The sequester will return in 2020 under current law. Should sequestration be triggered again, it could adversely affect FAA, CBP and TSA budgets and operations and the availability of certain federal grant funds typically received annually by the Airport System. Such budget cuts could also lead to the FAA, CBP and TSA being forced to implement furloughs of their employees and freeze hiring, and could result in flight delays and cancellations.

Agreement with Customs and Border Patrol Agency

As part of sequestration in 2013, CBP's budget was reduced, causing CBP to lower overtime staffing, which resulted in significant increases in international arriving passenger processing times (up to 3-4 hours) at a number of U.S. gateway airports, including MIA. In reaction to this staff reduction, U.S. gateway airports, including MIA, implemented a number of solutions that lessened the wait times for international passengers, including directly paying for CBP overtime and installing Automated Passport Control ("APC") kiosks that assist with processing passengers through customs. During Fiscal Year 2014, the Aviation Department entered into an agreement with CBP under the provisions of Section 560 of Division D of the Consolidated and Further Continuing Appropriations Act of 2013 ("Section 560"), for CBP services on a reimbursable basis. Under this agreement, the Aviation Department has paid CBP \$1.1 million and \$1.2 million in Fiscal Years 2017 and 2018, respectively. [As of December 31, 2018, there have been no payments made in Fiscal Year 2019 under this agreement. The Aviation Department has entered into a new agreement for CBP services effective October 1, 2018, pursuant to Section 559 of Title V of Division F of the Consolidated Appropriations Act, 2014, the successor to Section 560, but it has not yet been ratified by the Board.]

By the end of Fiscal Year 2018, the Aviation Department had installed 144 APC kiosks, which enable CBP to process international arriving passengers faster and more efficiently. MIA currently processes over 70% of all arriving passengers on APC kiosks.

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 reduced.

Federal Legislation

Federal legislation affects the grant funding that the Aviation Department receives from the FAA, the Aviation Department's PFC collections, and the operational requirements imposed on the Aviation Department. The FAA operates under an authorization-appropriation process created by Congress in which the authorization bill continues an agency's operation and the appropriation bill provides the funding for the activity under the authorization bill. Most authorization bills are for multiple years while the appropriation bills are done on an annual basis. In some cases, the bills can be combined as noted below.

The FAA Modernization and Reform Act of 2012 (the "FAA Act") was signed into law on February 14, 2012, as the permanent legislative solution to the temporary short-term extensions that had been enacted as a funding stop-gap over the previous five years. This \$63.6 billion reauthorization, which ran through September 30, 2015, provided \$13.4 billion in funding for airport improvement projects and provided \$10.9 billion in funding for the "Next Gen GPS" system, which is intended to modernize the air traffic control system and accelerate the integration of drones into the domestic airspace. The FAA Act continued the federal cap on PFCs at \$4.50 and authorized \$3.35 billion per year for the Airport Improvement Program ("AIP") through Fiscal Year 2015. The AIP has continued to operate since October 1, 2015, on two short term authorization extensions, the most recent of which extended the FAA's authorization and appropriation through October 7, 2018, and continued the \$3.35 billion annual funding.

The FAA Reauthorization Act of 2018 was signed into law on October 5, 2018. This Act extends general expenditure authority for the Airport and Airway Trust Fund from September 30, 2018, through September 30, 2023, and extends aviation taxes funding the Airport and Airway Trust Fund for the same period. In addition, the Act removes obsolete restrictions on the Passenger Facility Charge, improves the aircraft certification process, improves aviation safety, prohibits involuntary bumping of passengers once they have already boarded the plane, and addresses miscellaneous provisions relating to air travel and the FAA.

There is no assurance that the FAA will receive spending authorization, and the FAA could be impacted by sequestration, as previously discussed. The Airport cannot predict the level of available AIP funding it may receive.

Airport Security Requirements

General

Legislative and regulatory requirements since 2001, relating to security, have imposed substantial costs on the Airport and its airlines. The most significant ones are discussed below.

Federal legislation created the TSA, an agency within the Department of Homeland Security ("DHS"). Mandates of federal legislation and federal agencies such as TSA and DHS have imposed extensive new requirements related to screening of baggage and cargo (including explosive detection), screening of passengers, employees and vehicles, and airport buildings and structures, among other things.

The Federal Aviation and Transportation Security Act ("ATSA") makes airport security the responsibility of TSA. The Homeland Security Act of 2002 and subsequent directives issued by DHS have mandated stronger cockpit doors on commercial aircraft, an increased presence of armed federal marshals on commercial flights, establishment of 100% checked baggage screening, among other things, 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 airport security measures, that include: (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 of 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 designing, constructing, and installing 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 TSA during the initial deployment. The in-line EDS has been installed and is operational in the South Terminal and the North Terminal at an approximate cost of \$98.8 million, of which TSA funded \$74.2 million. TSA has committed \$101 million for an in-line EDS system in Central Terminal and for enhancements to the in-line EDS in the South Terminal. TSA also has issued additional unfunded mandates through TSA security directives including: (1) transmittal to TSA of personal information on all employees holding, applying for or renewing an airport-issued

identification badge for the performance of a 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, (6) recording and retention of personal identification media used to obtain an airport-issued identification badge and (7) recurrent Criminal History Records Check ("CHRC") for airport-issued identification badge holders with access to the restricted areas of the airport every two years. The Airport is now enrolled in the TSA/FBI Rap Back Program, which provides for continuous CHRCs on airport badged employees with access to the secure and sterile areas of the airport.

Airport security programs have also been affected by an additional requirement for the Airport to control access at the TSA passenger screening checkpoint exit lanes during TSA non-operational hours and on a 24 hours/7 days basis for exit lanes that are not co-located to the passenger screening checkpoints. This function was previously performed by TSA personnel. Additionally, TSA continues to pressure airports to increase the rate of required random inspections of employees and vehicles accessing the restricted areas of the Airport. Thus far, the Airport has not only been able to meet but also to exceed TSA's expectations in this regard with its long-standing static and random employee screening program.

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.

TSA also requires carriers to screen 100% of all loaded cargo on passenger and on all-cargo aircraft. TSA has developed a Certified Cargo Screening Program ("CCSP") for a "supply chain-wide solution" to cargo security that will certify cargo shippers so that they are able to screen cargo earlier in the chain. The Airport currently is actively participating in the CCSP program.

TSA has also initiated an explosive detection canine program at the Airport dedicated to cargo screening. Currently the Airport has one of the largest TSA Canine Units in the country. The Airport has successfully met the new cargo screening requirements without significant adverse impact. A Cargo Security Consortium for the Airport involving the relevant agencies and business partners meets quarterly to discuss issues, and 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 additional funds to deal with any potential costs imposed by the requirements described above. The Fiscal Year 2019 operating budget includes approximately \$20.4 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 significant costs beyond its operating budget. Such requirements may include biometric access control and the transferring of access control responsibility to the Airport at TSA passenger screening checkpoint exit lanes during checkpoint operational hours. Additionally, any elevation of the national threat advisory level would impose significant additional law enforcement and overtime costs on the Aviation Department.

Airport Competition

The Airport competes with other airports for domestic and international passengers. Fort Lauderdale-Hollywood International Airport ("FLL") is the closest competing airport, and MIA's biggest competitor for domestic origin-destination ("O&D") passengers, i.e., those passengers that begin or end their trips at the airport rather than connecting through the airport en route to their destination. FLL also has substantially more low-cost carrier service than MIA. Low-cost carriers accounted for 72% (6.0 million) of all domestic scheduled departing seats at FLL for the first half of Fiscal Year 2019 (up from 30% in 2000), while low-cost carriers accounted for just 2% (158,000) of all domestic scheduled departing seats at MIA for the same time period (compared to 3% in 2000). Low-cost carrier Norwegian airline moved its daily direct flight to London from FLL to MIA beginning March 31, 2019, citing the higher number of business travelers and demand for premium tickets at MIA.

[In the Fiscal Years 2008 through the 12 months ended June 30, 2018 (the most recent full Fiscal Year for which DOT O&D Survey data is available), FLL averaged over 4.0 million more domestic O&D passengers per year than MIA. Although the number of domestic departing seats increased approximately 17% at MIA and 27% at FLL between Fiscal Years 2008 and 2018, MIA gained market share in domestic O&D passengers in the South Florida region, from 32.5% in Fiscal Year 2008 to 36.8% in the 12 months ended June 30, 2018.]

Average domestic airfares at MIA tend to be approximately 25-35% 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. [In the 12 months ended June 30, 2018, average domestic airfares remained flat at MIA and decreased slightly year over year (1.3%) at FLL.] However, DOT airfare data

understate the true cost of air travel, as they do not include ancillary charges (e.g., checked baggage fees), which have been increasingly implemented throughout the industry since 2008.

For passengers traveling between other parts of the United States and international destinations in the Caribbean and Latin America, there are an increasing number of alternative routings, both nonstop flights and connecting services, via other U.S. and Latin American gateway airports.

Cost and Schedule of Capital Improvements Program

The estimated costs and schedule of the CIP projects described herein under the caption "CAPITAL IMPROVEMENT PROGRAM" depend on various sources of funding, including additional bonds, and are subject to a number of uncertainties. The ability of the County to complete the CIP may be adversely affected by various factors including: (i) estimating variations, (ii) design and engineering variations, (iii) changes to the scope of the projects, (iv) delays in contract awards, (v) material and/or labor shortages, (vi) unforeseen site conditions, (vii) casualty events or adverse weather and environmental conditions, (viii) contractor defaults, (ix) labor disputes, (x) unanticipated levels of inflation and (xi) additional security improvements and associated costs mandated by the federal government. A delay in the completion of certain projects under the CIP could delay the collection of revenues in respect to such projects, increase costs for such projects, and cause the rescheduling of other projects. There can be no assurance that the cost of construction of the CIP projects will not exceed the currently budgeted dollar amount or that the completion of the projects will not be delayed beyond the currently projected completion dates. Any schedule delays or costs increases could result in the need to issue additional bonds beyond those currently projected as a funding source for the CIP projects.

Growth of Transportation Network Companies

A significant source of non-airline revenues is generated from ground transportation activity, including use of on-Airport parking facilities, rental car transactions, trip fees paid by taxi, limousine, and transportation network companies such as Uber and Lyft ("TNCs") that connect paying passengers with drivers who provide the transportation using their own commercial and non-commercial vehicles. In 2016, the Airport negotiated licenses with Uber and Lyft that have since been extended on a month-to-month basis by the Airport. The Airport receives \$2.00 per TNC passenger pickup at the Airport. There is currently no drop off fee.

The introduction of TNCs at the Airport has led to declines in the revenues that the Airport receives from other ground transportation activities. Such declines have been offset to a certain extent by revenues received from the TNC operators.

Cyber-Security

Computer networks and systems used for data transmission and collection are vital to the efficient operations of the County. County systems provide support to departmental operations and constituent services by collecting and storing sensitive data, including intellectual property, security information, proprietary business process information, information applying to suppliers and business partners, and personally identifiable information of customers, constituents and employees. The secure processing, maintenance and transmission of this information is critical to departmental operations and the provision of citizen services. Increasingly, governmental entities are being targeted by cyberattacks seeking to obtain confidential data or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities that attackers/hackers can exploit in attempts to effect breaches or service disruptions. Employee error and/or malfeasance may also contribute to data loss or other system disruptions. Any such breach could compromise networks and the confidentiality, integrity and availability of systems and the information stored there. The potential disruption, access, modification, disclosure or destruction of data could result in interruption of the efficiency of County commerce, initiation of legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disruptions in operations and the services provided, and the loss of confidence in County operations, ultimately adversely affecting County revenues. The County has established a dedicated Enterprise Security Office tasked with the protection of County digital assets through a defense in depth approach to risk and vulnerability mitigation, implementation of policy and compliance standards and cyber incident response capabilities.

Climate Change

The State of Florida is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, and hurricanes, which could result in negative economic impacts on coastal communities like the County. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels.

The County is addressing the threat of climate change in the following ways: (1) implementing new policies and initiatives, including environmental protections, sustainability measures, and energy and water conservation; and (2) completing a systematic assessment of the future vulnerability of the most critical County-owned infrastructure and using that information to direct investment into protective measures for the County's most exposed assets. The County's climate change strategy is outlined in the GreenPrint link on the County's website (<http://www.miamidade.gov/GreenPrint/>) and in the Southeast Florida Regional Climate Change Compact's (the "Compact") Regional Climate Action Plan (<http://www.southeastfloridacclimatecompact.org/wp-content/uploads/2018/04/RCAP-2.0-Abridged-Version.pdf>). For planning purposes the County relies upon the Compact's Unified Sea Level Rise Projection for Southeast Florida.

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").

Local Construction Market Conditions

Demand for construction services in the South Florida market continues to be high; however, the projects have been advertised and awarded as planned and the Capital Improvement Program is moving ahead as scheduled. See "CAPITAL IMPROVEMENT PROGRAM."

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AVIATION-RELATED DEBT

Outstanding Bonds Under the Trust Agreement

Prior to the issuance of the Series 2019 Bonds and the refunding of the Refunded Bonds, the total aggregate principal amount of Outstanding Bonds under the Trust Agreement is as set forth below. See also below "Double-Barreled Aviation Bonds."

Outstanding Bonds	Dated Date of Issue	Principal Amount Issued	Principal Amount Outstanding
Series 2002A Bonds	December 19, 2002	\$ 600,000,000	\$ 15,000
Series 2008A Bonds	June 26, 2008	433,565,000	15,000
Series 2009A Bonds	May 7, 2009	388,440,000	26,635,000
Series 2009B Bonds	May 7, 2009	211,560,000	14,855,000
Series 2010A Bonds	January 28, 2010	600,000,000	86,370,000
Series 2010B Bonds	August 5, 2010	503,020,000	372,090,000
Series 2012A Bonds ⁽¹⁾	December 11, 2012	669,670,000	518,310,000
Series 2012B Bonds ⁽¹⁾	December 11, 2012	106,845,000	82,885,000
Series 2014 Bonds ⁽¹⁾	March 28, 2014	328,130,000	301,260,000
Series 2014A Bonds ⁽¹⁾	December 17, 2014	598,915,000	586,645,000
Series 2014B Bonds ⁽¹⁾	December 17, 2014	162,225,000	157,485,000
Series 2015A Bonds ⁽¹⁾	July 8, 2015	498,340,000	456,850,000
Series 2015B Bonds ⁽¹⁾	July 8, 2015	38,500,000	38,500,000
Series 2016A Bonds ⁽¹⁾	August 25, 2016	315,730,000	315,730,000
Series 2016B Bonds ⁽¹⁾	August 25, 2016	428,645,000	417,665,000
Series 2017A Bonds ⁽¹⁾	March 24, 2017	145,800,000	145,800,000
Series 2017B Bonds ⁽¹⁾	August 29, 2017	378,870,000	354,975,000
Series 2017D Bonds ⁽¹⁾	August 29, 2017	314,565,000	312,285,000
Series 2018A Bonds ⁽¹⁾	August 30, 2018	19,745,000	19,745,000
Series 2018B Bonds ⁽¹⁾	August 30, 2018	4,185,000	4,185,000
Series 2018C Bonds ⁽¹⁾	August 30, 2018	766,815,000	766,815,000
Series 2019A Bonds	May 30, 2019	282,180,000	282,180,000
Series 2019B Bonds ⁽¹⁾	May 30, 2019	212,745,000	212,745,000
TOTAL		\$8,008,490,000	\$5,474,040,000

⁽¹⁾ Denotes Refunding Bond issues.

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Debt Service Schedule

The following table shows the annual Principal and Interest Requirements on all Outstanding Bonds, including the Series 2019 Bonds (but excluding Double-Barreled Aviation Bonds described on the following page), as of the date of delivery of the Series 2019 Bonds for the Fiscal Years ending September 30, 2019 through the final maturity of the Outstanding Bonds.

AVIATION REVENUE BONDS (OUTSTANDING BONDS UNDER THE TRUST AGREEMENT) PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year ⁽¹⁾	Principal & Interest on Outstanding Bonds ⁽²⁾⁽³⁾	Principal on Series 2019 Bonds	Interest on Series 2019 Bonds	Principal & Interest on Series 2019 Bonds	Total Aggregate Principal & Interest ⁽⁴⁾
2019	\$ 373,421,800				
2020	383,584,619				
2021	379,644,884				
2022	377,575,585				
2023	376,045,954				
2024	376,044,331				
2025	373,913,638				
2026	376,567,386				
2027	371,559,706				
2028	373,475,010				
2029	374,138,261				
2030	375,965,867				
2031	377,259,984				
2032	385,916,392				
2033	392,547,828				
2034	389,960,452				
2035	394,157,625				
2036	394,149,241				
2037	392,171,453				
2038	395,367,274				
2039	395,883,026				
2040	395,882,578				
2041	395,372,234				
2042	48,534,075				
2043	48,535,275				
2044	48,537,375				
2045	48,532,275				
2046	43,521,500				
2047	43,526,250				
2048	43,521,250				
2049	43,522,500				
Totals ⁽⁴⁾	\$9,188,835,628				

⁽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⁾ Includes principal and interest payments made on April 1, 2019.

⁽³⁾ Includes capitalized interest on the Series 2019A Bonds to April 1, 2020.

⁽⁴⁾ Totals may not add due to rounding.

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, and currently outstanding in the amount of \$209,010,000. Debt service on the Double-Barreled Aviation Bonds is 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 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. To date, it has not been necessary for the County to apply any ad valorem tax revenues to pay debt service on the Double-Barreled Aviation Bonds.

The following table shows the annual principal and interest requirements on the Double-Barreled Aviation Bonds for the Fiscal Years ending September 30, 2019 through their final maturity. The table does not include debt service on other Airport-related debt.

DOUBLE-BARRELED AVIATION BONDS PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending September 30,	Principal and Interest on Double-Barreled Aviation Bonds
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 ⁽¹⁾	\$354,936,555

⁽¹⁾ Totals may not add due to rounding.

Commercial Paper Notes

On March 2, 2016, the County issued the initial tranche of the CP Notes in the amount of \$5,000,000. No more than \$200,000,000 in CP Notes may be outstanding at any one time. [As of May 7, 2019, the outstanding balance of the CP Notes was \$170,000,000.] Payment of all outstanding CP Notes is secured by and payable under an irrevocable transferrable direct-pay Letter of Credit issued by Bank of America, N.A., which expires on March 2, 2021. The CP Notes are intended to provide temporary funding for the cost of capital projects at the Airport.

Other Airport-Related Debt

FDOT State Infrastructure Bank Loan

The Viaduct East Project (the "VEP") is an elevated roadway over NW 25th Street completed and opened to traffic in July 2011. The VEP provides the only major access from the Palmetto Expressway (State Road 826) to MIA's Westside and Northside air cargo handling facilities. Trucks entering and exiting the air cargo area of the Airport travel on the Viaduct and avoid NW 25th Street congestion. VEP was funded in part with a \$50 million loan to the County from the Florida Department of Transportation ("FDOT") State Infrastructure Bank. The FDOT loan is secured by a County covenant to annually budget and appropriate from legally available non-ad valorem revenues of the County funds sufficient to pay debt service costs. As of September 30, 2018, the Aviation Department on behalf of the County has paid an aggregate of \$45 million for annual debt service payments, which commenced October 1, 2009. The Aviation Department earmarked approximately \$5 million per year over the balance of the 11-year life of the loan (the last payment is due 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.

Capital Leases

The County has entered into various capital leases to finance the purchase of equipment at the Airport. In 2014, the County entered into an approximately \$33,000,000 lease-purchase agreement to finance the cost of various energy conservation improvements at the Airport and on December 19, 2017, the County entered into an approximately \$47,600,000 lease-purchase agreement to finance the cost of various additional energy conservation improvements at the Airport (collectively, the "Sustainability Leases"). The Sustainability Leases are considered "budget neutral" since the cost of acquiring and installing the improvements will be covered by the energy cost savings expected to be generated by the improvements. The Sustainability Leases and the County's other Airport-related capital leases are secured by a County covenant to annually budget and appropriate from legally available non-ad valorem revenues of the County funds sufficient to pay debt service costs. Payments on such capital leases are subordinate to all other Aviation

Department funding requirements, including all other debt to be paid from the Improvement Fund.

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 County has not issued any revenue bonds related to the Airport System outside of the Trust Agreement.

The Miami-Dade County Industrial Development Authority has issued revenue bonds in the combined aggregate principal amount of \$223,590,000 for the benefit of conduit borrowers, the proceeds of which have been used by those conduit borrowers to finance the construction of their air cargo and other facilities at the Airport. [As of September 30, 2018, such bonds were outstanding in the aggregate principal amount of \$51,440,000.] Neither the Airport nor the County has any obligation with respect to these bonds. See "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT – Bonds Secured Otherwise Than by the Trust Agreement."

Independent Financing of the Rental Car Center

In August 2005 and August 2007, FDOT, in cooperation with the County, closed on \$270 million in loans from the United States Department of Transportation under the Transportation Infrastructure Financing Innovation Act ("TIFIA") loan program. Under various agreements, FDOT agreed to procure the financing, acquire the land, and construct the Rental Car Center ("RCC") (formerly known as the Rental Car Facility), at the Miami Intermodal Center ("MIC"). The loan proceeds were used by FDOT to design and construct the RCC, which commenced operations in July 2010. The revenues pledged for repayment of the loan are the proceeds of the Customer Facility Charges ("CFC") collected by car rental companies for their customers at the Airport and, if required, rent payments from the car rental companies sufficient to cover any shortfall. Loan payments (which commenced on October 1, 2012) have been made through March 31, 2019, without the need for any rent payment from the rental car companies. The repayment of the TIFIA loan is not secured by Revenues or any other revenues of the Aviation Department. See "AIRPORT SYSTEM FACILITIES – Commercial Operations Facilities" and "– Roadway Access to MIA."

Future Indebtedness; Other Capital Expenditures

The Aviation Department has identified a number of future capital projects under its Capital Improvement Program (the "CIP"), primarily related to the Central Terminal, as well as the maintenance of existing assets and safety and security programs. The proposed projects include roadway improvements, aircraft remote parking expansion, and concourse and terminal refurbishment. In addition, airfield taxiway improvement projects to increase safety and capacity are currently under construction. All the funding sources of the CIP are described in further detail under "CAPITAL IMPROVEMENT PROGRAM" and "FUNDING SOURCES FOR CAPITAL PROJECTS."

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. Under this 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.

Edward Marquez - Miami-Dade County Deputy Mayor/Finance Director

Edward Marquez is Deputy Mayor of the County and Director of the Finance Department. Mr. Marquez oversees the Finance, Management and Budget, Audit and Management Services, Information Technology and Internal Services Departments and liaises with the Housing Finance Authority, Clerk of the Board and Eleventh Judicial Circuit of Florida. Mr. Marquez was the County's Finance Director from 1986 to 1996, during which time he was responsible for all financial and controllership operations of County government. Later, Mr. Marquez served as Manager of the City of Miami where he directed development of the City's five-year fiscal and operational recovery plan. Mr. Marquez has also served as an investment banker and financial advisor, and he has comprehensive knowledge of a wide range of business operations and complex financial transactions.

Prior to re-joining the County, Mr. Marquez was a Senior Vice President of First Southwest Company, LLC where his clients included the Miami-Dade Expressway Authority, City of Miami and North Miami Community Redevelopment Districts, among others. He also served as Chief Financial Officer of the Miami-Dade County Public Schools, the fourth largest school district in the United States with operating and construction budgets of \$2.6 and \$1.7 billion, respectively.

Mr. Marquez holds a Bachelor of Business Administration from Florida International University and an Associate of Arts in Business Administration from the University of Florida.

Lester Sola - Aviation Department, Aviation Director and Chief Executive Officer

Lester Sola is the Director and Chief Executive Officer of the Miami-Dade Aviation Department. He oversees operations at Miami International Airport (MIA) and four general aviation (GA) airports in the Miami area, which together generate \$33.7 billion in business revenue and support more than 280,000 direct and indirect jobs. MIA leads the way, handling more than 44 million passengers and more than two million tons of cargo annually, placing it among America's busiest international passenger and cargo airports.

Mr. Sola has served the County for more than 26 years, most recently as Director of the Miami-Dade Water and Sewer Department. As Director of the largest utility in the southeastern United States, Mr. Sola was responsible for: providing high-quality drinking water and wastewater disposal services to more than 2.3 million residents, businesses and visitors daily; managing more than 2,700 employees and an annual operating budget of \$796 million; and leading the largest capital improvement program in the County's history. During Mr. Sola's tenure at the department from 2015 to 2017, nearly 1,000 projects worth more than \$1.1 billion were completed.

During the next 15-20 years, the multi-billion-dollar program to upgrade the County's entire water and sewer infrastructure will include certification of 63 pump stations out of moratorium, allowing for community growth and economic development. The Department has approximately 900 additional projects in varying stages of progress.

Prior to his appointment to the Water and Sewer Department, Mr. Sola was the Director of the Internal Services Department (ISD) since October of 2011. ISD is responsible for the County's procurement of goods and services, small business development, architectural and engineering selection services, capital improvement programs, design and construction services, facilities and fleet management, risk management, parking operations, printing and graphics services, surplus asset disposal and capital inventory oversight. Mr. Sola managed an operating budget of \$370 million, capital projects totaling over \$400 million, and over 850 employees.

Mr. Sola began his career with the County government in 1992 as a member of the County Manager Management Training Program. He has held several high-level positions

including: Contract Coordination Officer in the County Executive Manager's Office; Architectural and Engineering Consultant Coordinator for the County Executive Manager's Office; Assistant to the County Manager; Associate Director for the Aviation Department; Deputy Director for the Department of Business Development; Supervisor of Elections; and Director of the Internal Services Department.

During his more than two decades of public service, Mr. Sola has been responsible for: the reorganization of several County departments; coordination and refocusing of the capital program at Miami International Airport; the establishment of small and minority-based programs for the procurement of goods and services; establishment of centralized systems for the tracking of County capital expansion programs and professional services; and the provision of management direction to County departments, management agreements and agencies such as Aviation, Seaport, Beacon Council, Performing Arts Center and the American Airlines Arena.

Mr. Sola has a master's degree and bachelor's degree in public administration, with a minor in organizational psychology from Florida International University.

Kenneth A. Pyatt - Aviation Department, Deputy Aviation Director

Kenneth A. Pyatt became Deputy Aviation Director in July 2010, following a 36-year career with American Airlines. From 1997 to 2007, Mr. Pyatt served as Managing Director of Passenger Services and Ramp Operations for American Airlines at MIA, where he was responsible for customer service, security, baggage, international and ramp operations, on-time performance, contract management and vendor oversight. He was corporate liaison with the Transportation Security Administration and managed 200 daily aircraft operations, nearly 1,800 unionized employees and 45 managers.

As a member of the American Airlines management staff, Mr. Pyatt held senior operations management positions at New York's John F. Kennedy and LaGuardia Airports, O'Hare (Chicago) and MIA from 2007 to 2010. In this capacity, he was responsible for all phases of airport operations, including aircraft operations, safety, security, prevention of aircraft damage, facilities maintenance, contractor management, and customer relations.

As Deputy Aviation Director, Mr. Pyatt is responsible for all operations divisions at MIA and the general aviation airports, including Airside, Landside, Terminal, Facilities (both Maintenance and Development), Protocol, Noise Abatement, Public Safety and Security, Police and Fire.

Mr. Pyatt holds a Bachelor of Arts from Queens College, New York.

Sergio San Miguel - Aviation Department, Chief Financial Officer

Sergio San Miguel is the Chief Financial Officer ("CFO") of the Aviation Department. Mr. San Miguel manages and oversees five Finance and Strategy divisions: Accounting; Capital Finance; Financial Planning and Performance Analysis; Program

Controls; and Strategic Planning. As CFO, he is responsible for planning and directing the financial and budgetary management for the Aviation Department. In addition, he provides strategic assistance to the Aviation Department's executive management team in establishing long-range goals, strategies, plans and policies. He also serves as the Aviation Department's liaison to the County's Finance Department and Office of Management and Budget.

Mr. San Miguel joined the Aviation Department in 2009 as Assistant Controller, and was later promoted to the positions of Capital Finance Manager and Controller before being appointed CFO in 2018. Before joining the Aviation Department, Mr. San Miguel served as the Chief Financial Officer for the County's Transit Department beginning in 2007, supervising a staff of 100 employees responsible for business management functions such as budgeting, financial and performance auditing, grant management, accounting and revenue collections and processing. He was also responsible for overseeing the department's overall \$388 million operating budget and \$425 million capital budget.

Prior to his positions with the County, Mr. San Miguel served in similar roles in the private sector as an independent management consultant and chief financial officer for organizations including Cemusa, Inc., Staf Airlines, Dole Food Company and Mega Bank. His work experience also includes positions as an audit manager with Coopers & Lybrand and as an auditor and accountant with Jackson Memorial Hospital.

Mr. San Miguel has been a certified public accountant in the State of Florida since 1981 and earned a bachelor's degree in business administration from Florida International University. He is a member of the American Institute of Certified Public Accountants.

Oscar Aguirre - Aviation Department, Capital Finance Manager

Oscar Aguirre is the Capital Finance Manager for the Aviation Department. Mr. Aguirre is responsible for the management and administration of debt issuance for the Aviation Department. Mr. Aguirre also ensures that cash needs are met in order to maintain the capital program schedule and debt service is managed in order to minimize the Aviation Department's cost per enplaned passenger. Additionally, he serves as the departmental functional lead for Enterprise Resource Planning Financial System upgrades, as well as the Security and Workflow Administrator.

Prior to assuming the position of Capital Finance Manager, Mr. Aguirre was the Airport Accounting Chief, a position he held since 2004. His main responsibilities consisted of managing the general ledger to include financial reporting and issuance of the Aviation Department's annual audited financial statements. Mr. Aguirre has served in many different roles and positions since joining the Aviation Department in 1988. He has managed the Accounts Payable, Fixed Assets and Revenue Sections during his tenure.

Mr. Aguirre earned a bachelor's degree in Business Administration from Florida International University.

Jose A. Ramos R.A. LEED AP - Division Director for Aviation Planning, Land-Use and Grants Division

Jose A. Ramos is currently the Division Director for Aviation Planning- Land-Use and Grants Division. He has 18 years of professional airport planning experience including airfield, terminal, and airport operations gained steadily during his tenure with the Aviation Department.

Mr. Ramos is responsible for overseeing the orderly and efficient development of the Airport System to meet aviation demands and assure compatibility with the surrounding communities. He is responsible for all aviation system and master (strategic) planning and forecasting of aircraft activity, airfield planning, on-airport facility development and off-airport proposed land use development reviews. He directs and manages the Strategic Airport Master Planning 2015-2050 effort for the Airport System, and is the lead technical liaison with the responsibility of coordinating with the FAA and the FDOT in administering the Federal and State grants-in aid program for the Airport System.

Mr. Ramos is a State of Florida registered, LEED AP certified architect. He earned a Master of Architecture degree in 1985 from the University of Florida.

Employees

The Aviation Department had approximately 1,318 employees as of June 30, 2018. Collective bargaining units represent approximately 1,207 or (91%) of the 1,318 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 the 12-month period ended December 31, 2018, a total of 45.0 million passengers traveled through MIA, of which 21.9 million or 48.6% were international, and 23.2 million or 51.4% 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 most

recent statistics compiled by the Airports Council International, MIA, in calendar year 2017, ranked 40th worldwide in terms of total passengers (both arriving and departing).]

MIA includes approximately 3,230 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. Currently, the main terminal has over eight million square feet of space.

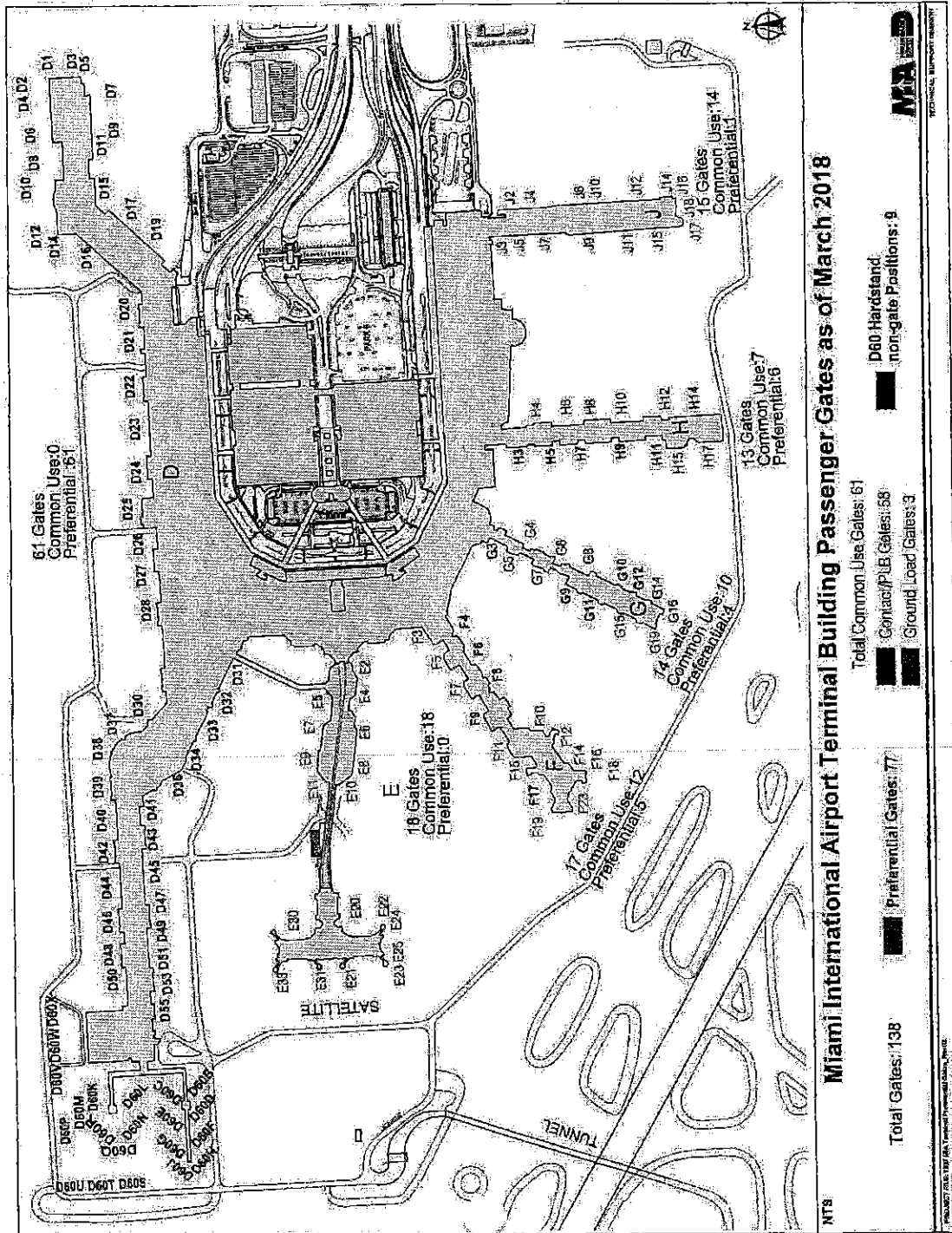
Terminal Building

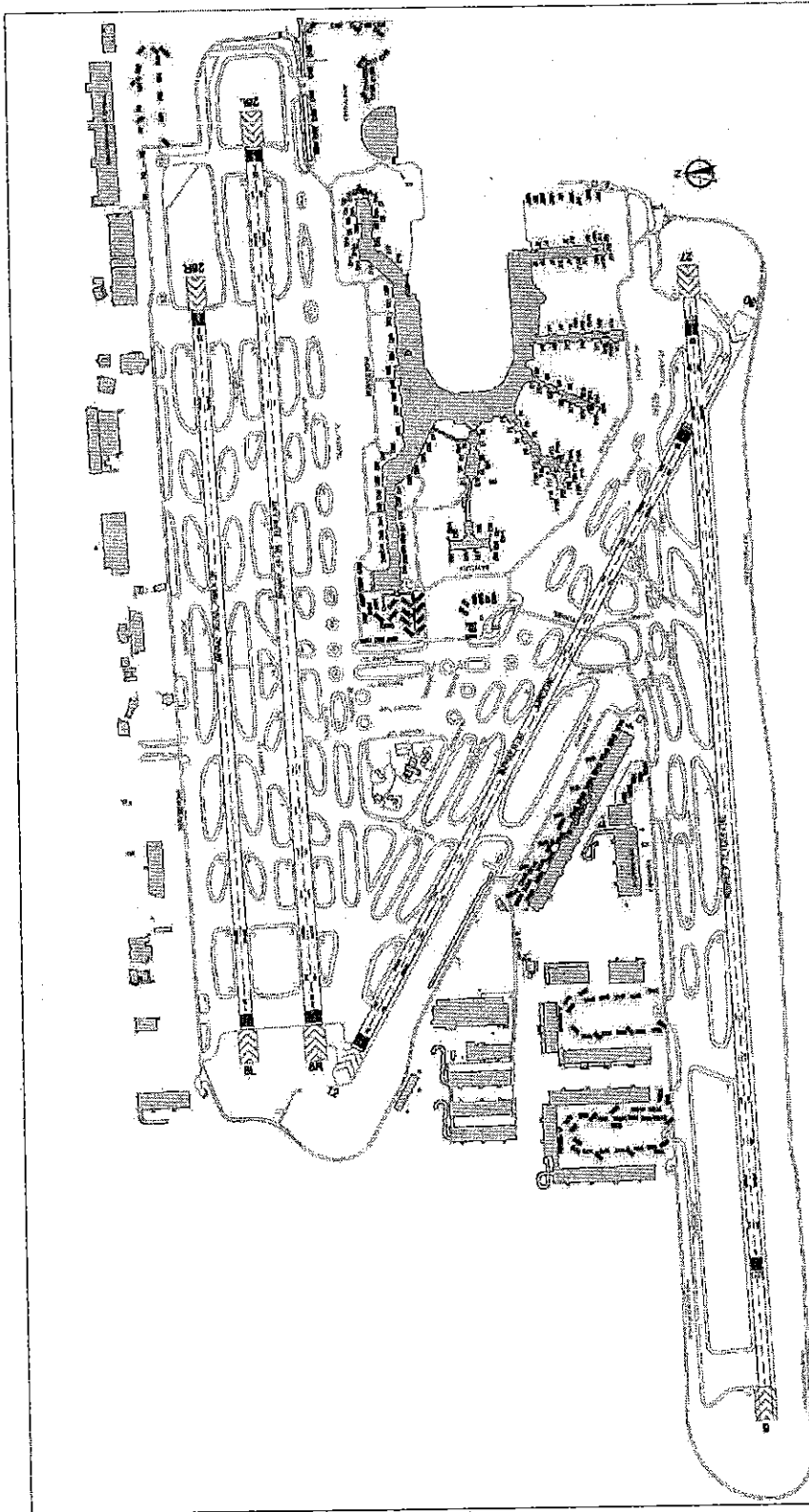
This subsection describes terminal facilities in operation as of December 31, 2018.

The Terminal Building has been divided into three major geographic development areas, consisting of six concourses: North Terminal consisting of Concourse D; Central Terminal consisting of Concourses E, E/E-Satellite, F and G; and South Terminal consisting of Concourses H and J. In a maximum narrow body aircraft configuration, the Terminal currently has 138 gates. Concourse D has 49 gates and 12 regional jet ground load gates (with parking space for 15 regional jets). Concourse E/E-Satellite has 18 gates; Concourse F has 17 gates; Concourse G has 14 gates (three of which are ground load commuter gates); Concourse H has 13 gates; and Concourse J has 15 gates. (See the Maps of the Airport, Terminal Building and Gates below). In a maximum wide-body configuration, the Terminal can accommodate a total of 110 wide-body aircraft at its gates: the North Terminal (Concourse D) can accommodate 23 wide-body and 22 narrow-body aircraft; the Central Terminal (Concourses E, F, and G) can accommodate 29 wide-body and 13 narrow-body aircraft; and the South Terminal (Concourses H and J) can accommodate 13 wide-body and 10 narrow-body aircraft.

There are three Federal Inspection Services ("FIS") areas in the Airport. In the North Terminal, 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 have common use equipment. 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 conveying arriving international passengers from Concourses D, E/E-Satellite, and F to the FIS located in the North Terminal, and conveying arriving international passengers from Concourses H and J to a second FIS in the South Terminal near Concourse J. A third FIS facility in the Central Terminal, located in Concourse E, opened in December 2017 equipped with facial recognition technology for CBP to clear passengers. That same technology is expected to be implemented in the other two FIS areas in the North and South Terminals in 2019. The Terminal has three multiple passenger loading bridge A380 capable loading gates with an upper deck loading bridge, one in Concourse J (J17), and two in Concourse E (E6 and E24).

Additionally, the Aviation Department is considering certain near-term renovations to the Central Terminal. For a discussion of the CIP with respect to the terminal facilities, see "CAPITAL IMPROVEMENT PROGRAM."





- LEGEND**
- Terminal Contact Gates
 - Terminal Area Hardstand Positions
 - Cargo & Remote Hardstand Positions

**MIAMI INTERNATIONAL AIRPORT
AIRCRAFT GATES AND PARKING POSITIONS**



PROJECT: MIA AIRCRAFT GATES AND PARKING POSITIONS
 DATE: 12/15/2006
 DRAWING NO.: 105
 SCALE: AS SHOWN
 PROJECT LOCATION: MIAMI INTERNATIONAL AIRPORT
 PROJECT OWNER: MIAMI INTERNATIONAL AIRPORT
 PROJECT ARCHITECT: PERKINS+WILL
 PROJECT ENGINEER: PERKINS+WILL
 PROJECT NO.: 06-001
 PROJECT ADDRESS: 1100 BRYAN COLLEZ AVENUE, MIAMI, FL 33136
 PROJECT CONTACT: PERKINS+WILL
 PROJECT PHONE: (305) 375-1000
 PROJECT FAX: (305) 375-1001
 PROJECT EMAIL: PERKINS+WILL
 PROJECT WEBSITE: PERKINS+WILL
 PROJECT URL: PERKINS+WILL
 PROJECT CONTACT: PERKINS+WILL
 PROJECT PHONE: (305) 375-1000
 PROJECT FAX: (305) 375-1001
 PROJECT EMAIL: PERKINS+WILL
 PROJECT WEBSITE: PERKINS+WILL
 PROJECT URL: PERKINS+WILL

Commercial Operations Facilities

The MIA Terminal Building

The MIA Terminal Building has 226 permanent concession locations occupying 279,839 square feet of duty-free, food and beverage and retail space and six temporary units occupying 2,011 square feet. There are also seven permanent locations occupying approximately 9,710 square feet that are closed temporarily. Approximately 21% of the concessions are located pre-security and approximately 79% of the concessions are located post-security. The current concession locations are consistent with the Airport's concession master plan.

The MIA Terminal Building also provides locations for services such as advertising, banks and ATM machines, currency exchanges, baggage wrap machines, luggage carts, vending machines, baggage checkroom, hotel with restaurant, and airline clubs.

The Aviation Department utilizes a concession agreement structure to manage its concession locations. Under this structure, the concession operator pays the Aviation Department the greater of a percentage of gross revenues or a minimum amount guaranteed in the contract. The costs associated with the buildout of concession locations and on-going maintenance are also paid by the concessionaire. The table below lists the concession operators currently operating at the Airport.

Area	Type of Concession Agreement	
	Retail	Food & Beverage
Central Terminal	Westfield Concessions Management, Inc.	
South Terminal	Faber, Coe & Gregg	Areas USA
	HMS Host	Concessions Miami
North Terminal	Faber, Coe & Gregg	Areas USA
	HMS Host	Concessions
	The Hudson Group	Miami
	Newslink/Adler	
	Newslink of South Florida	

[A solicitation for the Central/South Terminal Retail Program is planned for early summer 2019. The Aviation Department is currently developing four solicitations for concession services: commercial banking, luggage carts, automated retail, and VIP Concierge Services.]

In the North Terminal, the CIP is complete and 100% of the permanent concession locations are open and operating. All the principal concession solicitations have been completed and concession agreements for all of the locations have been awarded. The Department has awarded and opened concession contracts for all locations in the Miami Marketplace, a series of modular units offering products that represent the South Florida market.

The MIA Rental Car Center

Currently, there are 15 rental car companies doing business from 15 rental counter locations at the MIA Rental Car Center ("RCC") including Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Sixt and Thrifty, among others. A new rental car company, ACE, was assigned its own rental car location and commenced operating in March 2019. The RCC was the first phase of the Miami Intermodal Center (the "MIC") and is located immediately east of the Airport's main entrance. The RCC is connected to the Airport by an elevated automated people mover system (the "MIA Mover"), constructed by the Aviation Department over Central Boulevard between the Airport's Dolphin and Flamingo parking garages. The RCC and the Airport are connected to downtown Miami via an extension of the County's elevated heavy rail system ("Metrorail"). The Metrorail Airport extension began operation during the summer of 2012. The Aviation Department owns and oversees the operation of the RCC, but does not directly operate either the RCC or the MIC. The RCC is operated by the rental car company tenants. See "AIRPORT SYSTEM FACILITIES – Roadway Access to MIA" for a description of the MIC and the MIA Mover.

The MIA Hotel

The MIA Hotel, located on the second level of Terminal E, is currently operated through a management agreement with MCR Investors LLC. The MIA Hotel has 259 rooms and includes one of the first Air Margarita restaurants in the United States, located in the hotel lobby. Air Margarita is an island-inspired chain of restaurants that is very popular in the Caribbean and Mexico. The restaurant operates under a direct lease between the Aviation Department and IMCMV MIA LLC, an Airport concessionaire. This same concessionaire opened on the seventh floor of the MIA Hotel the Brazilian themed concept called Viena, which is a full service restaurant. The MIA Hotel is an independently branded hotel with the distinct advantage of its in-terminal location over the rest of the Airport-district area hotels. As of December 31, 2018, the MIA Hotel occupancy for the prior 12 consecutive months was 86.6% as compared to 83.6% for the comparable set, comprised of 10 area hotels. The average daily rate for the same period was \$154.55 as compared to \$133.62 for the comparable set.

Airside Facilities

Runways

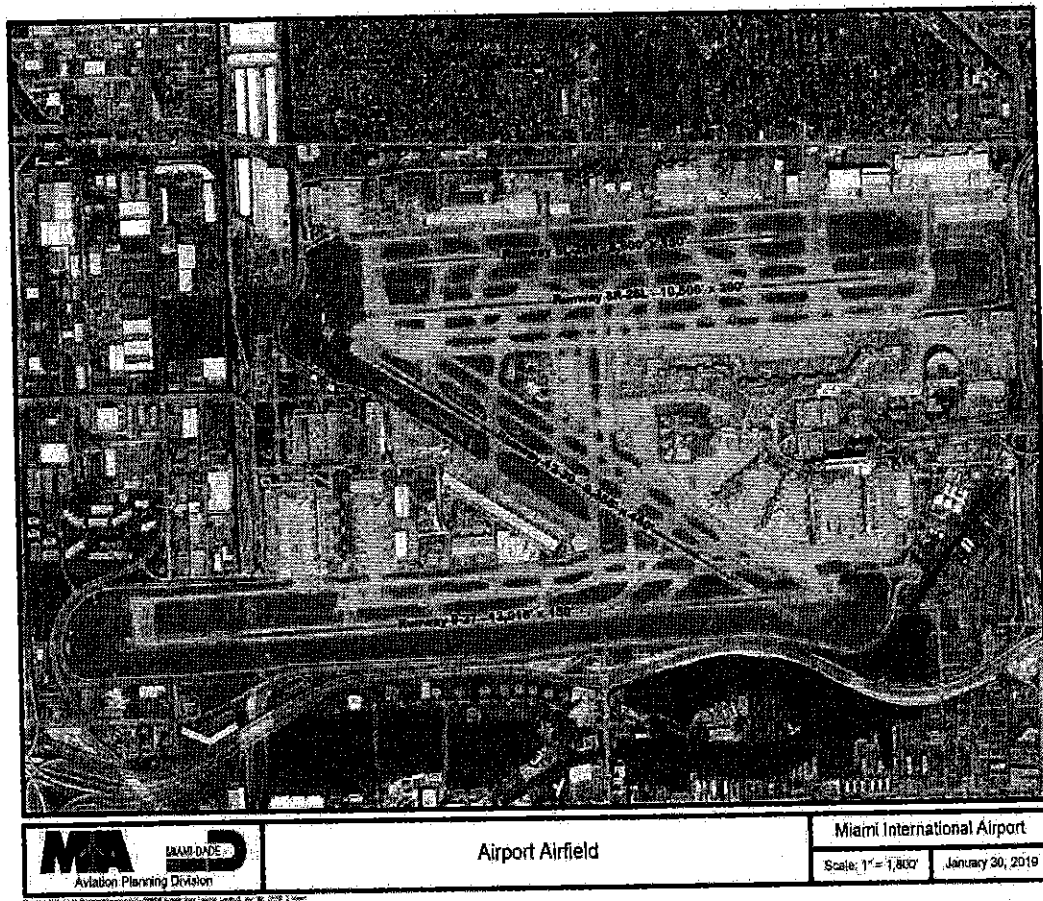
The Airport has four commercial service air carrier runways, consisting of three parallel east-west runways and one diagonal runway oriented in the northwest to southeast heading. For a map of the runways, see "AIRPORT SYSTEM FACILITIES – Terminal Building." These runways provide operational facilities covering 97% of prevailing wind conditions 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 six of the eight runway approach directions to permit operations

under poor weather conditions. The four runways, their direction, length and width are as follows:

Runway	Direction	Length	Width
8L-26R	East-west	8,600 feet	150 feet
8R-26L	East-west	10,506 feet	200 feet
9-27	East-west	13,016 feet	150 feet
12-30	Northwest-southeast	9,355 feet	150 feet

Runways 8L-26R and 8R-26L are located north of the Airport, 800 feet apart, separated by Taxiway Lima "L". Runway 9-27 runs parallel to Runways 8L-26R and 8R-26L, almost a mile to the south of Runway 8R-26L. Runway 12-30 runs diagonally to the other three runways, and is used sequentially with the parallel runways during operations with easterly wind conditions with the application of land-and-hold-short procedures on the longer Runway 9 permitting converging landings. These runways are capable of handling any size commercial passenger or cargo aircraft planned or currently in use, with Runways 8R-26L and 9-27 approved as contingency and primary runways, respectively, for handling the Airbus A380 and the Boeing 747-8. MIA's four-runway layout permits peak hour aircraft movements of between 50 and 60 take-off and landing flight operations per hour during optimal weather conditions.

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The four runways are flexible pavement facilities 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 runway condition braking performance.

To minimize take-off delays, most runways are supplemented at each end with taxiways, which permit the bypassing of most aircraft facing delay by other departing aircraft except in the case of the very large aircraft, like the Airbus A380 and the Boeing 747-8. A system of numerous high-speed exits (turnoffs) from the runways, permitting landing aircraft to make smooth exits from the runways to the taxiway system, minimizing runway occupancy times and enhancing airfield performance and capacity. An extensive system of dual parallel taxiways supports all four runways and serves the entire area of the Airport's 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.

Aircraft Parking Positions

The Airport has a sufficient number of aircraft parking positions at the Terminal Building, and elsewhere on the Airport there are ramps to enable the Airport to position passenger and cargo aircraft in an orderly manner. In order to make efficient use of the Terminal Building, aircraft that are not engaged in active loading or unloading of passengers are temporarily relocated to distant aircraft parking positions (called "hardstand" or "remote parking" positions) to await the time when they are scheduled to resume their active passenger loading or unloading activities at the Terminal Building gates. This temporary relocation makes gates available for revenue producing incoming aircraft that need to load or unload passengers, rather than having gates serve as non-revenue producing parking lots for aircraft. [As shown on the "Aircraft Gates and Parking Positions" map below,] the Airport has 24 "Terminal Area Hardstand Positions" that are used by passenger aircraft for this purpose. The airport also has an additional 110 "Cargo & Remote Hardstand Positions" used on a common-use basis, 39 of which are used primarily by passenger aircraft and 71 primarily by air cargo aircraft. These 110 positions are in addition to the 27 air cargo positions located on airline leaseholds and used by the air cargo tenants exclusively. See "AIRPORT SYSTEM FACILITIES - Cargo and Other Facilities at the Airport".

Parking Facilities

The Airport offers several public parking facilities: (i) the covered parking facilities known as the Dolphin and Flamingo parking garages, positioned within the linear horseshoe configuration of the Terminal Building; (ii) the North and South Valet facilities, located within the Dolphin and Flamingo garages, respectively; (iii) the two stacked parking lots perpendicular to the west end of the garages, with the top lot exposed to the elements; (iv) the surface lot across from the South Terminal; and (v) the high vehicle lot that accommodates vehicles that exceed seven feet in height (collectively, the "MIA Parking Facilities"), all of which operate 24 hours a day, seven days per week. Ground transportation and curbside services are situated on the main arrivals and departures access roadways across from the parking garages. As of December 31, 2018, MIA has 8,388 public parking spaces within the MIA Parking Facilities that are allocated for valet parking, surface lot parking, and garage parking.

All MIA Parking Facilities are currently owned by the Aviation Department and are managed pursuant to a management agreement (the "Airport Parking Management Agreement") between Airport Parking Associates Joint Venture and the County. Although the final extended term of the Airport Parking Management Agreement expired September 30, 2018, the County and the parking manager executed an extension, extending the current contract until September 30, 2019, unless otherwise terminated in writing by the Aviation Department. [The Aviation Department is in the process of issuing a solicitation to request proposals from the general public for parking management services to MIA.]

MIA has a unified parking rate structure which was implemented October 1, 2011. The unified parking rate structure eliminated the need to differentiate between short and long term parking. The main exit from the parking garages is through a centrally-located revenue collection plaza, which serves all facilities, while the valet operations have separate exits. The central plaza allows for centralized ticketing access to and from the garages with a parking revenue control system. [The parking revenue control system is currently being upgraded with state of the art technology by way of a solicitation issued by MIA to the general public, which is in the process of being awarded.] In addition to cash and credit card payments, the collection plaza provides drive through lanes with different payment options like Pay On Foot, SunPass Plus® and EMV credit cards. Pay On Foot allows patrons to pay for parking prior to exiting the collection plaza. SunPass is a prepaid toll program, which expedites a patron's exit through the collection plaza with the use of transponders. EMV refers to the "pin and chip" credit cards. These payment options reduce the number of staffed cash lanes and reduce 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, (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 main 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 includes the Central Collection Plaza and the Terminal South Drives Extension Projects. 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 opened for service in 2007. The Southside Drives Extension project greatly improved the circulation, vehicle weaving and way finding for drivers 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 (the "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) sides of the airport. Significant access improvements include:

- FDOT and the Miami-Dade County Expressway Authority (MDX) have funded several projects to enhance access to the Airport from adjoining roads. Completed projects include the RCC, the widening of LeJeune Road (NW 42nd Avenue), the MIC core building, the rebuilding of the SR 826/SR 836 Interchange, direct connect ramps from the Airport to State Roads 836 and 112, the SR 826/NW 36th Street Interchange, the widening of Perimeter Road from NW 72nd Avenue to NW 57th Avenue to four lanes, and the NW 25th Street Viaduct East Project, which was completed in July 2016. See "AVIATION-RELATED DEBT – Other Airport-Related Debt – FDOT State Infrastructure Bank Loan" for a description of the NW 25th Street Viaduct East Project. The Viaduct Project involved two major parts: the roadway reconstruction and widening of NW 25th Street from the Palmetto Expressway (SR 826) to NW 89 Court and the construction of a viaduct. The viaduct, elevated about 30 feet, is situated mainly along the north side of NW 25th Street and connects with the existing east viaduct and then crosses over the expressway to a point just east of NW 82nd Avenue. The Viaduct Project began construction in June 2012 and was completed in July 2016. [In 2015, MDX began construction on a new widening and realignment project for SR 836, from NW 17th Ave to NW 57th Ave. This project will improve capacity of the SR 836 mainline and includes the complete reconstruction and realignment of the SR 836/LeJeune Road interchange. The interchange reconstruction will enhance access and provide greater safety and efficiencies for accessing MIA from SR 836. The project is expected to be completed in 2019.]
- In August 2015, MDX completed capacity improvements of the primary access to the Airport's passenger terminal which were needed to balance MIA's terminal roadway system with the Airport's increased airfield and terminal capacity. This project, known as the "MIA Central Boulevard Widening, Realignment and Service Loop Project," was constructed by MDX at no cost to the Aviation Department. Specifically, the project widened 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. The improved roadway project provides 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 is now also the direct link to the RCC and the MIC.
- The MIC is a multi-phased development program that relieves area roadway congestion and improves access to the Airport by creating a regional transportation center east of LeJeune Road. The MIC acts as a remote ground transportation hub for MIA by relieving terminal curbside congestion. Its total cost was \$2.043 billion. The primary structures include a separate MIC core building and the RCC, both of which were constructed by FDOT with

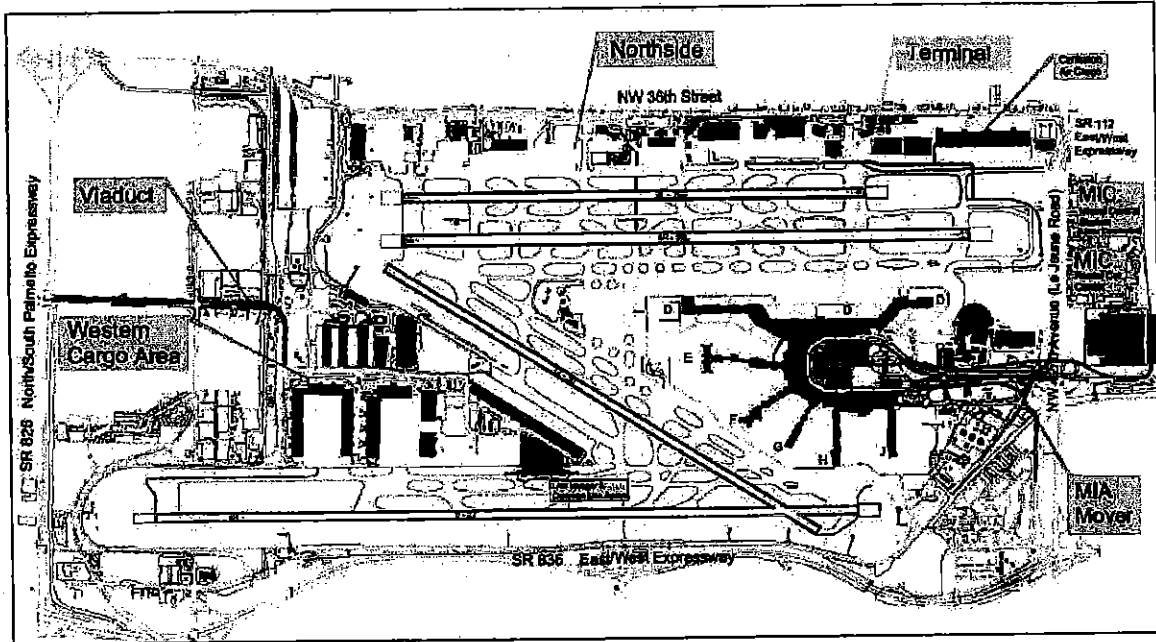
loan proceeds from the United States Department of Transportation under the TIFIA loan program. The MIA Mover, funded through the CIP and \$101.2 million in FDOT grants, connects the RCC to the Terminal Building and connects both the RCC and the Airport to the County's Metrorail system. The MIA Mover began operations in September 2011. 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 were primarily limited to (1) designing, constructing and operating the MIA Mover; (2) calculating CFCs sufficient to pay off the TIFIA loan secured by FDOT and imposing upon car rental companies the obligation to collect CFCs from their customers and remit them to a trustee; and (3) operating and maintaining the RCC and paying for the costs thereof from the CFCs. The CFCs are not Revenues.

Another roadway improvement under continued consideration consists of the widening and re-alignment of the eastern section of Perimeter Road from NW 57th Avenue to NW 42nd Court and connecting Perimeter Road to NW 20th Street, which would allow the aviation fuel-farm to be enclosed within the Airport's Airfield Operations Area. The project would include replacing the existing NW 15th Street bridge with a new bridge just south of the existing one. The proposed bridge will provide a more direct connection from Perimeter Road to NW 14th Street. A project book for the proposed replacement bridge has been completed. It is expected that the design and construction of this section of Perimeter Road will be eligible for federal and state funding. A Project Development and Environment study will need to be prepared in order to proceed with this project.

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Airport Layout Plan – Miami International Airport Roadway Access Improvements



Facilities in Operation Currently
 Facilities in Construction

MIAMI INTERNATIONAL AIRPORT
MIAMI-DADE AVIATION DEPARTMENT

AIRPORT LAYOUT



Source: Miami-Dade County Aviation Department.

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 December 31, 2017,] the Aviation Department managed approximately 8.74 million square feet of potentially rentable cargo and other facilities of the Airport outside of the Terminal including aircraft maintenance repair and overhaul facilities as well as hangars, office space, simulator bays and other training areas, aircraft engine repair, and aircraft engine testing facilities. Storage areas and operational support facilities make up the rest of the square footage managed by the Aviation Department. As of the end of Fiscal Year 2018, the leased facilities produced approximately \$60.9 million in annual rental

revenues (\$36.8 million from buildings; \$22.0 million from land; and \$2.1 million from pavement), which constitute approximately 7.7% of Fiscal Year 2018 operating revenues. This total does not include the \$11.4 million in rental and other rental-related revenues generated from the general aviation airports during the same fiscal year.

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 \$71.9 million and \$75.1 million for Fiscal Years 2017 and 2018, respectively. Cargo tonnage handled at the Airport increased 1.28% in Fiscal Year 2017 over Fiscal Year 2016 [and 5.10% for the nine-month period ended June 30, 2018, over the same nine-month period of the prior year.]

Prior to 2013, the majority of the MIA airfield development in the last 20 years had been for cargo handling facilities. On the west side of the Airport, three belly cargo buildings and three cargo buildings with direct aircraft access known as the Western "U" were developed by the Aviation Department and are leased to cargo tenants. Four other cargo buildings with direct aircraft access were constructed by the airlines in partnership with private developers and make up the Eastern "U." In February 2013, a 500,000 square foot cargo facility containing 166,000 square feet of refrigerated warehouse built by Centurion Air Cargo, Inc. ("Centurion") (in partnership with a developer) opened in the northeast section of the Airport. This development is the largest single tenant leasehold in the Airport.

The aforementioned Centurion development was constructed under a 40-year development lease agreement with the County. This agreement was assigned to Aero Miami, III, LLC ("Aero Miami") for the financing, design, construction and management of the warehouse, with both Centurion and Aero Miami serving as joint lessees under the lease. Centurion was also given the right to purchase from the County the Building 890/891 hangar facility for the sum of \$6.4 million and paid that amount to the Aviation Department through Aero Miami's construction of Taxiway "K" that runs adjacent to Centurion's buildings, with any additional reimbursable cost of approximately \$2 million, reimbursable to Aero Miami through ground rent credits. The Aviation Department reimbursed Aero Miami \$2.8 million for environmental remediation costs of the warehouse site plus a contract-required interest payment of \$500,000 payable to Aero Miami. The warehouse and hangar refurbishment received certificates of occupancy in February 2013 and the Taxiway K work was completed in 2014. The credits were applied accordingly and the developer began paying rent at the end of August 2014.

All of the buildings in the Eastern "U" are operated by tenants or third parties under lease development agreements. United Airlines built a 118,000 square foot cargo facility (and has transferred its interest in this facility to AMB Codina MIA Cargo Center, LLC); Arrow Air completed a 127,089 square foot facility; and LAN (Chile) built an approximately 410,000 square foot cargo and office complex, which serves as LAN's headquarters for its U.S. operations. These development lease 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 cargo related facilities financed under lease development agreements include a 35,000 square foot courier facility built by UPS in 2001, which is located in the northwest area of the Airport and adjacent to a 157,000 square foot cargo facility already occupied by UPS. These facilities serve as UPS's Latin American gateway hub. In 2012, DHL spent \$21 million to expand its cargo warehouse to 130,000 square feet and made MIA its Latin American gateway. FedEx also built a 189,000 square foot facility along the north side of the Airport that was completed in 2004. Currently, the Airport has 2.6 million square feet of cargo facilities.

[The Aviation Department is currently negotiating with Fed Ex and its developer for an additional 100,000 square foot warehouse facility contiguous to its existing 141,000 square foot facility known as Bldg. 831. This project will level ramp elevations on the west side of the facility. Moreover, an upsurge in demand for cargo warehouse space towards the end of 2017 makes it certain that the Department will not have any cargo warehouse vacancies (currently 281,347 square feet) by the middle of 2019.]

In addition to the cargo facilities, the Aviation Department has a number of cargo loading (aircraft apron) positions located throughout the airfield that serve and support cargo operations at the Airport. Of the 110 "Cargo & Remote Hardstand Positions" mentioned above (see "AIRPORT SYSTEM FACILITIES - Airside Facilities"), 71 of these positions (as of December 31, 2018) are used primarily by cargo aircraft, and of this number 44 are common-use positions that are assigned by the Aviation Department's Airside staff, and the remaining 27 positions are on airline leasehold properties used exclusively by the air cargo tenants. 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.

Three separate tenants have also negotiated the repair and upgrade of two hangars and an engine repair facility for approximately \$9.1 million. [The projects are subject to BCC approval and] are to be completed by October 2021. Two will yield \$334,600 annually in ground rent during the renovation and amortization period and the third will yield \$204,600 annually for an eight year period. These yields increase to \$1.02 million annually for the two hangar complexes after five years and \$1.05 million for the engine repair facility after eight years.

MIA Pharma Hub Development

In 2015, the International Air Transport Association ("IATA") designated MIA as the first "pharma hub" airport community in North America. The Aviation Department has been actively pursuing an initiative to grow the transport of pharmaceuticals at MIA by encouraging the local cargo business community to train and receive the IATA Center of

Excellence for Independent Validators Pharma Certification ("IATA CEIV Pharma Certification") for the proper handling of temperature-sensitive pharma products. Working with MIA, a total of six members of the local cargo business community including two (2) airlines, two (2) ground handling companies and two (2) international freight forwarders have obtained IATA CEIV Pharma Certifications. The IATA CEIV Pharma Certification is an industry competence standard that builds expertise in properly handling pharma and generates opportunities for business growth in an already large industry. Total value of Pharma products transported through MIA increased by 70% since 2013 to nearly \$4.64 billion in 2018 (through October). In addition to strengthening capacity of handling pharma, the "MIA Pharma Hub" business community lends itself to attracting pharma manufacturers to base their operations close to the local MIA cargo and logistics community and to MIA's extensive international air route network. The pharma industry (as part of the Life Sciences industry) and the transport of pharma (Trade and Logistics industry), represent two of the top seven target industries of the County's One Community One Goal initiative and are considered to be higher than average paying industries.

MIA Foreign Trade Zone Development

In an effort to expand and diversify its international business base, the Aviation Department gained final approval from the U.S. Department of Commerce to designate MIA as a Foreign Trade Zone ("FTZ") Magnet Site. An FTZ lowers costs and increases profits for businesses by reducing taxes and import tariffs and providing logistical flexibility and supply chain security. Businesses located in an FTZ facility can defer, reduce, or eliminate customs duties on goods passing through the airport or during the process of applying value-added services to the goods. Accordingly, MIA can position itself to attract new types of business, increase trade, enhance air service development and diversify the airport's revenue stream. [Additionally, the MIA FTZ is expected to utilize currently vacant warehouse and office space at the Airport and create new jobs in the process.]

The General Aviation Airports

In addition to MIA, the Aviation Department operates four (4) General Aviation Airports (the "GAAs"). Three (3) such GAAs are used for traditional general aviation activities such as fixed base operations, aircraft storage and maintenance facilities, and the fourth GAA is used primarily for training purposes. The following narrative describes the facilities at each of these airports.

Miami-Opa locka Executive Airport

The County acquired Miami-Opa locka Executive Airport ("OPF"), formerly Opa-locka Executive Airport, from the United States government in 1961. In 1962 the remainder of the former Naval Air Station Miami property, except for a portion reserved for the United States Coast Guard, was transferred to the County and became Opa-locka Executive Airport. In 1965, the U.S. Coast Guard Air Station Miami ("CGAS") transferred

its aircraft and operations from its Dinner Key installation to the Opa-locka Airport, re-establishing CGAS on site. OPF encompasses 1,810 acres, and it is considered a reliever airport for MIA.

OPF has three active runways. The two east-west runways are 8,002 feet and 4,306 feet in length, respectively, and 150 and 100 feet in width respectively, with one runway having two Instrument Landing Systems ("ILS") and Category I capabilities. The southeast-northwest runway (the diagonal) is 6,800 feet in length and 150 feet in width, and also has ILS and Category I capability. Other facilities include corporate hangars, an aircraft rescue and firefighting facility and a Customs and Border Patrol private aircraft clearance facility. 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 Air Station Miami; Miami-Dade County Police Department, Aviation Division; and Miami-Dade County Fire Department actively operate from OPF.

At OPF, there are currently over 500 acres leased for development. In 2007, the Aviation Department facilitated the release of large tracts of land held by developers since the late 1990s in order to accommodate various requests for additional facilities. Since that time, new facilities including corporate hangars, a fixed based operator ("FBO") building, an air traffic control tower, offices, retail/industrial facilities and a United States Post Office distribution center were built. Total public and private investment at OPF since 2007 is approximately \$127 million. OPF continues to grow with additional development underway that includes an additional FBO and a new 800,000 square-foot Amazon distribution center, equipped with the latest versions of Amazon Robotics and generating approximately 1,000 new full-time positions for County area workers.

Miami-Executive Airport

Since its opening in 1967, Miami-Executive Airport ("TMB"), previously known as Kendall-Tamiami Executive Airport, has become one of the busiest general aviation airports in the United States, supporting 267,408 aircraft operations in 2018. TMB is a designated reliever airport for MIA. TMB's property is composed of 1,360 acres.

TMB's airfield consists of three active runways: two east-west runways of 6,000 feet and 5,002 feet in length, respectively, and 150 feet in width, and a southeast-northwest runway (diagonal) of 4,001 feet in length and 150 feet in width. The primary east-west runway is equipped with high intensity runway lighting, ILS and Category I capabilities; the secondary runways have medium intensity runway edge lighting. Facilities at TMB include FBOs, T-hangar bays, corporate hangars, an aviation museum and office space, some built by the Aviation Department and others by private parties. The County's Police and Fire Departments' aircraft are headquartered at TMB. The FAA operates the Air Traffic Control Tower. TMB has an airfield rescue and firefighting unit stationed at the airfield. Miami-Dade College's Eg-Watson School of Aviation has a satellite campus located at TMB, which provides flight training programs. TMB also has a Customs and Border Patrol facility to service international traffic.

Among TMB's major tenants are several aircraft maintenance businesses, FBOs, air taxi/charter operators, and flight schools. With its on-site aviation-related schools and the airport's close proximity to businesses in the South Florida region, TMB has a significant number of flight training, corporate, and charter operations. TMB is also experiencing a robust amount of real estate development within its boundaries, with six private developers investing approximately \$30 million over the last 10 years in new projects covering 75 acres of TMB land.

In February 2018 TMB started a 390 day Runway Incursion Mitigation Project ("RIM") that, when completed, will provide users with a new Taxiway and Run-up area. RIM will also redesign existing runway intersections by narrowing the Taxiway entrances allowing only one aircraft at a time to enter the runway. The redesign will minimize the possibility of runway incursions.

TMB Airport continues to grow and as part of the development plans the following projects are underway or are in the planning stages:

1. The construction of two new hangars to replace hangars 102 and 109 – [February 2019.]
2. Security infrastructure facility improvements – replacing security gates from rollers to tracks and from wireless to fiber.
3. Creation of a new Aviation Mall at the main entrance of the airport – [August 2019.]
4. Extension of State Road 874 (Don Shula Ramp Expressway Connector) and widening of SW 128th Street will allow airport customers to have direct access to the highway – [late 2019.]
5. Custom border patrol private aircraft clearing facility pilot program to extend hours of operations.

Miami-Homestead General Aviation Airport

Miami-Homestead General Aviation Airport ("X-51"), which was completed in 1963 and was rebuilt after suffering significant windstorm damage from Hurricane Andrew in 1992, serves the general public, agricultural users and recreational sports aviation users in the southern portion of the County. X-51 is in close proximity to the Everglades National Park and 20 minutes from Biscayne National Park. It is the closest airport to the Homestead/Miami Speedway and a short 30-minute drive to Key Largo and the Ocean Reef Yacht Club. The airport is located on 960 acres in an agricultural community minutes west of South Dade business areas and the City of Homestead.

Since 1992 more than five million dollars has been invested in improvements at X-51, including new airfield signage and lighting, two FBOs, aircraft hangars and a self-service Jet-A and 100LL fuel dispensing station. X-51 has no landing fees.

Prior to June 30, 2020, X-51 will undergo a Security Enhancement Project partially funded by a grant from the Federal Department of Transportation in the amount of \$764,500.00. The Aviation Department has identified the need for an Airport Operations Area Fence, Security Cameras, High Mast Lighting, and Airside to Landside Gates and Matrix card readers to provide an improved level of safety and to enhance security.

X-51's airfield consists of three general aviation runways: an east-west runway 3,000 feet in length and 75 feet in width; a parallel east-west turf runway 2,500 feet in length and 150 feet in width, reserved for ultra-light and glider activity; and a north-south runway 4,000 feet in length and 100 feet in width. Each of the paved runways has parallel lighted taxiways and medium intensity edge lighting. All taxiway lights were upgraded to LED lighting in 2014.

The Dade-Collier Training and Transition Airport

The Dade-Collier Training and Transition Airport ("TNT"), located partially within Dade County and partially within Collier County, is approximately 46 miles west of MIA and was opened in 1970. It is used for commercial air carrier, military flight training, and private aircraft training. TNT's property is composed of 24,960 acres, which includes approximately 900 acres of developed and operational land.

TNT consists of a single east-west runway (10,500 feet in length and 150 feet in width), equipped with high-intensity runway lights and pavement geometry configured for efficient operation of wide-body aircraft. The County owns all facilities at TNT. The ILS and medium intensity approach lighting system with runway alignment indicator lights has been decommissioned and is slated to be removed by the FAA this year.

The undeveloped property of TNT is managed and operated by the Florida Fish and Wildlife Conservation Commission. Environmental concerns for the environmental protection of the Everglades resulted in the negotiation 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) restricting the development of TNT to a single runway and a parallel taxiway.

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

Airport Insurance

General Liability

The County maintains third party liability insurance coverage for bodily injury and property damage arising from airport operations at MIA and the GAAs. The limit of liability is \$1 billion per occurrence, with a self-insured retention of \$50,000 per occurrence, and an annual aggregate of \$500,000. Terrorism coverage is provided under this program with a \$1 billion limit per occurrence for Terrorist Acts Certified by the U.S. Secretary of the Treasury and \$200 million in the aggregate for non-Certified Terrorist Acts.

Claims within the retention are administered by the County's Internal Services 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

Aviation Department property 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 damage to real and personal property and includes coverage for boiler and machinery, flood and terrorism. Related loss prevention services are also provided under this program. The limit provided is \$350 million with a \$5 million deductible per occurrence for other than damage caused by terrorism or a named windstorm. For named windstorms, coverage is limited to \$150 million with a \$200 million deductible per occurrence. The County has \$200 million in coverage subject to a \$5 million per occurrence deductible for property damage caused by acts of terrorism. The current Countywide Master Program is effective through April 15, 2020.

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 Port Authority Properties for bodily injury and property damage and in such amounts as may be approved by the Insurance Consultant.

In its Trust Report and Insurance Program Review dated March 7, 2019 (the "2019 Insurance Program Review"), the Insurance Consultant, Siver Insurance Consultants, St. Petersburg Florida ("Siver"), concluded that, subject to comments included in the 2019 Insurance Program Review, the Aviation Department's current insurance program complies

with the requirements of the Trust Agreement. Siver indicates that during the last few years significant improvements have been made in the insurance program. However, the firm continues to caution that the amount of property insurance purchased may be inadequate to cover damage arising out of a catastrophic event.

While the 2019 Insurance Program Review makes a number of recommendations, it identifies four priority recommendations, all of which reflect that all property of the Aviation Department is covered by the Countywide Master Program. The priority recommendations are as follows:

1. The purchase of a separate property insurance program insuring only the Aviation Department's facilities.
2. Increase the limit of property insurance, especially for named windstorm damage.
3. Decrease the named windstorm deductible.
4. Increase the coverage limits for property damage caused by terrorism.

All such priority recommendations are subject to availability of such changes at a reasonable cost. The Aviation Director has forwarded the 2019 Insurance Program Review to the Trustee and Co-Trustee as a part of the annual insurance report required by the Trust Agreement.

Representatives of the County, the County Internal Services Department 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 submits for review detailed information on the County's property insurance programs to the Office of Insurance Regulation of the Florida Department of Financial Services. 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 network of air service, enhanced by multiple daily scheduled and nonscheduled flight frequencies covering 170 cities on five continents. Based on Official Airline Guide data for flights scheduled for the [first quarter of 2019, from January 1, 2019 through March 31, 2019, the Airport's stronghold market, the Latin America/Caribbean region, is served by more passenger flights from the Airport than from any other U.S. airport.] In April 2019, Royal Air Maroc began operating three weekly flights to Morocco, marking the first passenger flights from MIA to Africa since 2000.

The Airport is a major transshipment point by air for the Americas. [During 2017, the Airport handled 83% of all air imports and 79% of all air exports between the U.S. and the Latin American/Caribbean region. In the rankings for calendar year 2017, the Airport was the nation's number one airport in international freight¹ (excluding mail and transit freight) and third in international passenger traffic.]

The Airport stimulates a host of industries such as tourism, the cruise industry and international banking and commerce. The Airport's activities resonate throughout the State. [For the 12 months ended September 2017, the Airport was the port of entry for 59.0% of all international passenger traffic arriving by air to the State. In terms of trade, Department of Commerce data for 2017, the most recent period for which such information is available, showed that the Airport handled 94% of the dollar value of the State's total air imports and exports, and 40% of the dollar value of the State's total air and sea trade internationally.] The Airport is American Airline's largest hub for international passengers and international cargo. American Airlines accounted for 60.0% of the enplaned passengers at the Airport during the 12-month period ended December 31, 2018, and together with its affiliate, Envoy Air Inc. which operates under the American Eagle brand, 67.0% of all enplaned passengers during such period.²

The following table reflects the Airport's activity trends, including enplaned and deplaned passengers, landings and take-offs and enplaned and deplaned cargo during the last ten Fiscal Years.

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¹ Although the Airports Council International ("ACI") ranks Ted Stevens Anchorage International Airport ("ANC") number one 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. If ANC's transit freight is excluded, MIA ranks first. Source: Miami-Dade County Aviation Department.

² Unless otherwise noted, statistical data in this section was compiled by the Aviation Department.

**AIRPORT TRAFFIC ACTIVITY TRENDS FOR
MIAMI INTERNATIONAL AIRPORT
(For the Fiscal Year Ended September 30)**

Fiscal Year	Total			Total		
	Enplaned and Deplaned Passengers	Percentage Change	Landings and Take-Offs	Percentage Change	Enplaned and Deplaned Cargo (Tons)	Percentage Change
2009	33,875,470	-0.60%	348,487	-7.70%	1,699,219	-18.30%
2010	35,029,106	3.40	363,322	4.30	1,991,467	17.20
2011	37,633,119	7.40	386,233	6.30	2,006,722	0.80
2012	39,564,476	5.10	389,919	1.00	2,101,561	4.70
2013	40,115,305	1.40	393,355	0.88	2,134,943	1.60
2014	40,844,964	1.80	397,261	0.99	2,187,474	2.50
2015	43,347,129	6.13	405,896	2.17	2,206,306	0.86
2016	44,901,753	3.59	413,401	1.85	2,219,606	0.60
2017	43,758,409	-2.55*	407,160	-1.51*	2,247,913	1.28
2018	44,938,486	2.70	415,781	2.12	2,368,617	5.37
Three months ended 12/31						
2017	11,164,156	2.88	106,544	3.61	641,089	5.99
2018	11,269,982	0.95	104,488	-1.93	620,496	-3.21

Source: Miami-Dade County Aviation Department.

*Hurricanes Matthew (Oct/2016) and Irma (Sept/2017) contributed to the decrease in total passengers and landings and take-offs in Fiscal Year 2017 when compared to the previous fiscal year.

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 connecting hub for many air carriers. As indicated in the following table, the Airport ranked first in the United States in the number of tons of international cargo, excluding mail, and third in the number of international passengers in calendar year 2017. These statistics are summarized in the table below (the most recent period for which such information is available):

**TOP FIVE U.S. AIRPORTS' INTERNATIONAL ACTIVITY RANKINGS
(For Calendar Year 2017)**

International Enplaned/Deplaned Passengers		International Enplaned/Deplaned Freight (U.S. Tons) ⁽¹⁾	
1. New York Kennedy (JFK)	32,431,419	1. Miami International (MIA)	1,946,619
2. Los Angeles (LAX)	24,151,229	2. Los Angeles (LAX)	1,301,188
3. Miami International (MIA)	21,473,311	3. Chicago O'Hare (ORD)	1,223,052
4. San Francisco (SFO)	13,425,328	4. New York Kennedy (JFK)	1,046,803
5. Newark (EWR)	12,903,546	5. Memphis (MEM)	636,758

Source: Airports Council International ("ACI") and Miami-Dade County Aviation Department.

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

The top five U.S. airports based on the number of international passengers for the 12 months ended June 30, 2018 (the most recent data available), together with FLL, are

listed below. Also shown below are the number of enplaned passengers and the percentage for the same airports for the 12 months ended September 30, 2007, which immediately preceded the most recent national economic recession.

INTERNATIONAL ENPLANED PASSENGERS
(in thousands)
(Top Five U.S. Airports, Fort Lauderdale-Hollywood International Airport (FLL),
All Other U.S. Airports)

12 Months Ended September 30, 2007			12 Months Ended June 30, 2018		
Airport	Passengers	Percentage	Airport	Passengers	Percentage
JFK	10,708	13.5%	JFK	16,352	14.2%
LAX	8,330	10.5	LAX	12,488	10.8
MIA	7,763	9.8	MIA	10,552	9.1
SFO	4,253	5.3	SFO	6,637	5.7
EWR	5,279	6.6	EWR	6,630	5.7
FLL	1,438	1.8	FLL	3,861	3.3
Other U.S. Airports	41,789	52.5	Other U.S. Airports	59,034	51.2
Total	79,560	100.0%	Total	115,554	100.0%

Sources: U.S. DOT, Schedule T100.

The table below shows the number of domestic, international and total enplaned passengers for MIA and Fort-Lauderdale-Hollywood International Airport.

ENPLANED PASSENGERS
MIAMI INTERNATIONAL AIRPORT VERSUS
FORT LAUDERDALE-HOLLYWOOD INTERNATIONAL AIRPORT
(12 Months Ended September 30)

	Miami			Fort Lauderdale		
	Domestic	International	Total	Domestic	International	Total
2009	8,987,096	7,897,003	16,884,099	8,947,048	1,520,840	10,467,888
2010	9,179,436	8,225,894	17,405,330	9,260,615	1,652,303	10,912,918
2011	9,796,191	8,904,929	18,701,120	9,836,257	1,835,273	11,671,530
2012	10,155,304	9,528,373	19,683,677	9,962,653	1,779,080	11,741,733
2013	10,033,126	9,842,751	19,875,877	10,033,252	1,761,019	11,794,271
2014	10,342,784	9,877,147	20,219,931	9,844,866	2,179,848	12,024,714
2015	11,197,406	10,177,689	21,375,095	10,515,257	2,699,212	13,214,469
2016	11,774,663	10,379,626	22,154,289	11,329,962	3,022,648	14,352,610
2017	11,132,819	10,469,975	21,602,794	12,252,383	3,552,834	15,805,217
2018	11,571,473	10,648,950	22,220,423	13,358,448	4,302,731	17,661,179
Three months ended 12/31						
2017	2,821,475	2,658,569	5,480,044	3,062,420	955,386	4,017,806
2018	2,814,938	2,726,181	5,541,119	3,262,162	1,102,916	4,365,078

Source: Miami-Dade County Aviation Department; Broward County Aviation Department.

The table below shows the top 10 domestic and international markets to and from which enplaning and deplaning passengers at MIA are traveling.

**TOP TEN MARKETS AND TOTAL PASSENGERS
(12 Months Ended June 30, 2018)**

Domestic		International	
City	Passengers	Country	Passengers
1. New York, New York	3,568,173	1. Brazil	1,695,819
2. Atlanta, Georgia	1,554,508	2. Colombia	1,409,214
3. Chicago, Illinois.	1,327,816	3. Cuba	1,344,731
4. Washington D.C.	1,318,184	4. Mexico	1,320,432
5. Dallas/Fort Worth, Texas	1,176,943	5. United Kingdom	984,152
6. Los Angeles, California	993,977	6. Dominican Republic	963,205
7. Orlando, Florida	785,984	7. Argentina	943,763
8. Charlotte, North Carolina	751,615	8. Spain	813,890
9. Philadelphia, Pennsylvania	711,195	9. Panama	752,767
10. Boston, Massachusetts	704,544	10. Canada	731,212

Source: U.S. DOT Schedule, T100.

The table below shows (1) international enplaned and deplaned passengers as a percentage of total enplaned and deplaned passengers at MIA and (2) international cargo as a percentage of total cargo at MIA.

**AIRPORT INTERNATIONAL ACTIVITY
PERCENTAGES OF PASSENGERS AND CARGO
(For the Fiscal Year Ended September 30)**

Fiscal Year	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%
2010	47	88
2011	48	88
2012	49	86
2013	50	87
2014	49	88
2015	48	87
2016	47	86
2017	49	86
2018	48	86

Source: Miami-Dade County Aviation Department.

The table below shows the number and percentage of Origin-Destination enplaned passengers versus connecting enplaned passengers to the Caribbean, Central America and South America at each of the selected airports.

**ENPLANED PASSENGERS FROM THE U.S. TO THE CARIBBEAN,
CENTRAL AMERICA AND SOUTH AMERICA
AT SELECTED U.S. GATEWAY AIRPORTS**

12 Months Ended June 30, 2018	Origin-Destination Enplaned Passengers		Connecting Enplaned Passengers		Total
	O&D	% of Total	Connecting	% of Total	
Miami International (MIA)	4,428,830	60.3%	2,917,653	39.7%	7,346,483
New York (JFK - LGA - EWR)	4,709,256	86.7	723,025	13.3	5,432,281
Fort Lauderdale (FLL)	1,928,418	69.6	842,154	30.4	2,770,572
Atlanta (ATL)	456,538	20.5	1,772,291	79.5	2,228,829
Houston (IAH) Worth	440,2018	28.4	1,109,766	71.6	1,549,967
Orlando (MCO)	918,5263	87.9	126,593	12.1	1,045,119

Sources: U.S. DOT, Schedules T100; *Air Passenger Origin-Destination Survey*, reconciled to Schedules T100.

Notes: Mexico not included. Connecting enplaned passengers includes domestic-to-international connections and international-to-international connections on U.S. airlines. International-to-international connections on foreign-flag airlines are included with O&D figure.

The table below shows the number of outbound Origin-Destination passengers from MIA to the selected destinations for the past 10 Fiscal Years.

**INTERNATIONAL ORIGIN-DESTINATION OUTBOUND PASSENGERS
(In thousands)**

Fiscal Year End September 30,	South America	Central America	Mexico	Caribbean	Transatlantic (Europe, Mid- East, Africa)	Canada	Total
2009	1,430	590	295	868	966	164	4,313
2010	1,464	566	301	906	963	215	4,415
2011	1,722	566	300	883	1,126	216	4,813
2012	1,950	619	355	933	1,227	233	5,317
2013	2,212	635	362	900	1,234	273	5,616
2014	2,209	612	341	865	1,214	204	5,445
2015	2,168	553	370	885	1,456	236	5,668
2016	2,202	585	463	965	1,666	235	6,115
2017	2,090	605	459	1,228	1,824	241	6,448
[2018*	2,064	626	419	1,237	1,793	259	6,399]

Sources: U.S. DOT, Schedule T100; U.S. DOT, *Air Passenger Origin Destination Survey*, reconciled to Schedule T100.

Notes: Because foreign-flag carriers do not report passenger numbers to the U.S. DOT O&D Survey, estimates prepared by LeighFisher were used to develop the data in the above table. Figures reflect passengers on scheduled flights only. Rows may not add to totals shown because of rounding.

[* For the 12 months ended June 30, 2018, the most recent data available.]

Airlines Serving the Airport

As of December 31, 2018, scheduled service was provided at the Airport by 90 airlines; of these, 59 provide domestic or international passenger or passenger-cargo combination service, and 31 provide scheduled all-cargo service. The number of carriers providing scheduled service varies monthly. As of December 31, 2018, non-scheduled service on charter authority was provided by 12 airlines, five of which provide domestic or international passenger or passenger cargo combination service, and seven of which provide all cargo service.

59 SCHEDULED PASSENGER/CARGO COMBINATION CARRIERS

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

American Airlines*	ExecAir
American Eagle (Envoy Air)*	Frontier Airlines*
American Eagle (Republic Airways)	Sun Country ⁽¹⁾
Delta Air Lines*	United Airlines*

Source: Miami-Dade County Aviation Department.

* Signatory Airline

⁽¹⁾ This airline generally operates flights seasonally.

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51 Foreign Scheduled Passenger/Cargo Combination Carriers

Aeroflot (Russia)*	Jetairfly (Belgium)
Aerolineas Argentinas (Argentina)*	KLM (Netherlands)*
Aeromexico (Mexico)*	LATAM Airlines (Chile)*
Aer Lingus (Ireland)	LATAM Airlines Brazil (Brazil)*
Air Canada (Canada)*	LATAM Airlines Argentina (Argentina)*
Air Europa (Spain)*	LATAM Airlines Colombia (Colombia)*
Air France (France)*	LATAM Airlines Ecuador (Ecuador)*
Air Italy (Italy)*	LATAM Airlines Peru (Peru)
Alitalia (Italy)*	Lufthansa (Germany)*
Aruba Airlines (Aruba)*	Ocean Air <i>dba</i> as Avianca Brazil (Brazil)*
Austrian Airlines (Austria)*	Qatar Airways (Qatar)*
Avianca (Colombia)*	SAS Scandinavian Airlines (Scandinavia)*
Avior (Venezuela)*	Sunwing (Canada) ⁽¹⁾
Bahamasair (Bahamas)*	Surinam Airways (Suriname)*
BOA - Boliviana de Aviacion (Bolivia)*	Swiss International Airlines (Switzerland)*
British Airways (United Kingdom)*	TACA International (El Salvador)*
Caribbean Airlines (Trinidad and Tobago)*	TACA Peru (Peru)*
Cayman Airways (Cayman Islands)*	TAP Air Portugal (Portugal)*
COPA (Panama)*	TUIFLY (Netherlands)
El Al Israel Airlines (Israel)*	Turkish Airlines (Turkey)*
Eurowings (Germany)*	Virgin Atlantic (United Kingdom)*
Finnair (Finland) ⁽¹⁾ *	Viva Air (Colombia)*
Flair (Canada) ⁽¹⁾	Volaris (Mexico)*
GOL (Brazil)	WestJet (Canada)
Iberia (Spain)*	XL Airways (France) ⁽¹⁾ *
Interjet (Mexico)	

Source: Miami-Dade County Aviation Department.

* Signatory Airline

⁽¹⁾ This airline generally operates flights seasonally.

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31 SCHEDULED ALL CARGO CARRIERS

14 U.S. Scheduled All Cargo Carriers

21 AIR*
ABX Air*
Aeronaes TSM (UPS feeder)
Amerijet*
Atlas Air (separate passenger charter service)*
DHL Express*
Federal Express (FedEx)
IBC Airways
Mountain Air Cargo (FedEx Feeder)
Polar Air Cargo
SkyLease (Tradewinds Airlines)*
Southern Air
United Parcel Service (UPS)*
Western Global Airlines⁽¹⁾

17 Foreign Scheduled All Cargo Carriers

Aerounion (Mexico)*
Asiana Airlines (Korea)*
Cargolux Airlines Int'l (Luxembourg)*
Cathay Pacific Airways (Hong Kong)*
China Airlines (Taiwan)*
DHL Aeroexpreso (Panama)*
Estafeta (Mexico)*
Ethiopian Airlines (Ethiopia)
KLM/Martinair Cargo (Holland)*
Korean Air (Korea)*
LATAM Cargo Brazil (Brazil)
LATAM Cargo Chile (Chile)*
LATAM Cargo Colombia (Colombia)*
LATAM Cargo Mexico (Mexico)*
Tampa Cargo, dba as Avianca (Colombia)*
Transcarga Int'l Airways (Venezuela)
Transportes Aereos Bolivianos (Bolivia)

Source: Miami-Dade County Aviation Department.

* Signatory Airline

⁽¹⁾ This airline generally operates flights seasonally.

12 NON-SCHEDULED SERVICE CARRIERS

5 U.S. Passenger/Cargo Combination Carriers

Aztec Airways
Eastern Airlines*
Miami Air International*
Swift Air*
World Atlantic Airlines*

7 U.S. All Cargo Carriers

Air Transport International
IFL Group
Kalitta Air*
Martinaire Aviation
National Airlines*
Northern Air Cargo*
Sky Way Enterprises

Source: Miami-Dade County Aviation Department.

* Signatory Airline

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Selected Carrier Activity

ENPLAINED PASSENGERS

	Three Months Ended December 31,		2017		2018		Fiscal Year Ended September 30,		2015	
	2018		2017		2018		2017		2015	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
American Airlines	3,352,220	60.50%	3,231,862	58.98%	13,254,456	59.65%	12,902,731	59.73%	12,951,451	60.59%
American Eagle	370,409	6.68	397,314	7.25	1,570,196	7.07	1,349,019	6.24	1,113,411	5.21
Delta Airlines	309,390	5.58	309,064	5.64	1,333,523	6.00	1,360,904	6.30	1,238,827	5.80
United Airlines	148,783	2.69	171,567	3.13	679,655	3.06	672,516	3.11	451,431	2.11
Frontier	44,450	0.80	132,463	2.42	361,900	1.63	232,114	1.07	245,295	1.15
TAM Linhas Aereas	91,639	1.65	85,792	1.57	340,979	1.53	313,716	1.45	488,978	2.29
Swift Air	95,318	1.72	69,592	1.27	302,531	1.36	70,882	0.33	65,113	0.30
Avianca	106,287	1.92	59,563	1.09	294,100	1.32	338,972	1.57	328,390	1.54
COPA Airlines	73,652	1.33	65,066	1.19	279,757	1.26	259,371	1.20	245,369	1.15
British Airways	77,275	1.39	64,276	1.17	245,029	1.10	238,780	1.11	236,352	1.11
All Others	871,696	15.73	893,485	16.30	3,558,297	16.01	3,863,789	17.89	4,010,478	18.76
Total	5,541,119	100.00%	5,480,044	100.00%	22,220,423	100.00%	21,602,794	100.00%	21,375,095	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 Year Ended December 31,			Fiscal Year Ended September 30,		
	2017			2016		
	Number	% of Total	% of Total	Number	% of Total	% of Total
American Airlines	4,144,334	42.91%	41.80%	16,376,922	44.27%	45.28%
American Eagle	419,449	4.34	4.91	1,682,254	4.55	3.88
AtlasAir	430,333	4.46	4.14	1,155,305	3.12	2.1
Delta Airlines	327,635	3.39	3.38	1,421,379	3.84	3.69
United Parcel Service	272,946	2.83	3.55	1,119,769	3.03	2.94
LATAM Airlines	177,378	1.84	2.24	900,105	2.43	2.37
Amerijet	175,040	1.81	2.10	618,770	1.67	1.66
United Airlines	156,411	1.62	1.89	677,940	1.83	1.55
Tampa Cargo S.A.	192,871	2.00	1.67	741,748	2.01	2.11
ABX Air	120,540	1.25	1.71	636,572	1.72	1.93
All Others	3,241,938	33.56	32.59	11,658,746	31.52	32.49
Total	9,658,875	100.00%	100.00%	36,989,510	100.00%	100.00%

Source: Miami-Dade County Aviation Department.
 *US Airways activity is reported under American Airlines beginning in January 2016.
 Note: Percentages may not total 100% due to rounding.

FLIGHT OPERATIONS (TAKE-OFFS AND LANDINGS)

	Fiscal Year Ended December 31,			Fiscal Year Ended September 30,		
	2017			2016		
	Number	% of Total	% of Total	Number	% of Total	% of Total
American Airlines	45,976	44.00%	42.27%	180,747	44.39%	45.08%
American Eagle	13,515	12.93	13.77	52,113	12.80	11.05
Delta Airlines	4,576	4.38	4.48	20,694	5.08	4.93
United Airlines	2,197	2.10	2.28	9,424	2.31	1.98
United Parcel Service	2,030	1.94	2.27	7,976	1.96	1.92
Swift Air	1,913	1.83	1.55	1,839	0.45	0.42
Frontier	566	0.54	1.76	3,120	0.77	1.00
Atlas Air	1,094	1.05	1.37	4,178	1.03	0.56
Amerijet Int'l	758	0.73	1.03	4,227	1.04	1.11
ABX Air	30,223	28.92	27.87	118,757	29.17	1.21
All Others	104,488	100.00%	100.00%	407,160	100.00%	30.85
Total	104,488	100.00%	100.00%	407,160	100.00%	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.
 *US Airways activity is reported under American Airlines beginning in January 2016.

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Air Service Incentive Program

On October 15, 2015, the Airport's fifth Air Service Incentive Program ("ASIP5") was implemented by the Aviation Department. ASIP5 provides incentives for air carriers to establish scheduled domestic and international passenger flights, as well as freight flights from targeted international markets, by offering credits on Landing Fees for a maximum period of 12 months. In addition, ASIP5 offers separate incentive packages for passenger and freighter service initiated from Africa, Asia and the Middle East/Gulf markets by offering credits on Landing Fees for a maximum period of 24 months. ASIP5 also offers any carrier establishing scheduled, international, year-round passenger service to an international destination (city and/or airport) not currently served by MIA by any carrier, the opportunity to participate in a matching-funds advertising campaign to assist in promoting the new route. The Aviation Department will offer the carrier up to \$50,000, to be matched with an equal amount from the carrier, to establish a mutually agreed upon advertising campaign. The collaborative advertising campaign provided under this incentive will begin at commencement of the qualifying new route and will conclude at the end of the 12-month benefit period. Service from Africa, Asia and the Middle East/Gulf markets will be offered up to \$100,000 per year for two years. The new service associated with the marketing support incentive must operate for 12 consecutive months, and will then qualify for the second-year advertising funds allocation from the Aviation Department. Carriers choosing to arrive at MIA during designated off-peak hours at the Central or South Terminals will receive additional incentives. The primary goal of ASIP5 is to stimulate domestic passenger, 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, PFCs, and concession revenues. The ASIP5 is no longer available to new carriers and promotions. [The Airport's sixth Air Service Incentive Program is expected to be approved in the spring of 2019.]

The following airlines remain on the ASIP5: American Airlines (domestic passenger carrier), EL AL (foreign passenger carrier) and Turkish Airlines CARGO (foreign passenger carrier). These airlines will be receiving aggregate landing fee benefits totaling \$194,976 at the conclusion of the respective promotional periods under ASIP5. In addition, EL AL's promotional period qualified for a second year under a separate incentive package offered under ASIP5 for service initiated from Africa, Asia and the Middle East/Gulf markets. Under the off-peak hour additional incentive, EL AL will also qualify for \$200,000 per year in matching funds, for two separate years, from the Aviation Department for its collaborative advertising campaign. Turkish Airlines CARGO qualified for \$25,000 for one year under a separate incentive package offered under ASIP5 for freighter service initiated from Africa, Asia and the Middle East/Gulf markets for its collaborative advertising campaign.

CAPITAL IMPROVEMENT PROGRAM

Overview

As part of its ongoing review of the Airport's Master Plan, the Aviation Department is defining a path to optimize and expand the functionality of existing terminal building assets. Most of the terminal building (the North and South Terminals) was renovated and expanded as part of a capital program that began in 1994 and was substantially completed in 2014 (the "1994 CIP"). Those relatively small portions of the 1994 CIP that were not completed by 2014 were carved out from the 1994 CIP and have been referred to as the "CIP Carryover Projects." The Central Terminal was largely untouched by the 1994 CIP, so in July 2015 the Aviation Department created the Terminal Optimization Program (the "TOP"), a 10-year capital program to modernize these older terminal facilities. The TOP was planned to be completed in two phases, Phase I from Fiscal Year 2015 to Fiscal Year 2018, and Phase II from Fiscal Year 2019 to Fiscal Year 2025. In July 2015, TOP Phase I was submitted to the MAAC as part of the MII review process resulting in a \$651 million budget authorization. This original MII review was referred to as the TOP Baseline 2015 that consisted of four subprograms: MIA Central Base Apron & Utilities, Concourse E, South Terminal and Miscellaneous Projects.

As a result of the Airport's changing facility needs, scope changes, additional projects and the need to expedite Phase II projects, the Aviation Department decided to merge the two phases into what is now referred to as the "TOP Rebaseline 2017." The change was submitted for MII review in August 2017 and received authorization for a \$1.45 billion budget from the MAAC. The TOP Rebaseline 2017 consists of the original, and in some cases expanded, four subprograms plus the addition of a new subprogram: Passenger Boarding Bridges. The TOP Rebaseline 2017 extended the schedule duration to Fiscal Year 2023.

The capital program has now evolved into the Capital Improvement Program (the "CIP") in order to include work beyond the CIP Carryover Projects and the TOP. This approach allows the Aviation Department to address the Airport System's needs as a whole, including airside, landside, cargo, terminal and general aviation projects. As the Airport System's needs grow, the CIP will be adjusted to include more scope under the existing subprograms or potentially new subprograms. Currently, the CIP has the following fifteen subprograms: MIA Central Base Apron and Utilities, Concourse E, South Terminal, Miscellaneous Projects, Passenger Boarding Bridges, Central Terminal, North Terminal, Terminal Wide, Concourse G Projects, Concourse H Projects, Airside Projects, Landside Projects, Cargo Projects, General Aviation Airport Projects, and Reserve Maintenance Fund Projects.

The CIP by subprograms and funding sources is listed below as of December 31, 2018. The CIP budget below includes the \$1.45 billion as approved through the MII review process in August 2017 as well as all the other Capital Projects planned (approximately

\$106.4 million) for the next Fiscal Year that do not require an MII review. Most of the CIP's funding is to come from Bond proceeds, PFC revenue and federal and state grants.

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CAPITAL IMPROVEMENT PROGRAM FUNDING PLAN
As of December 31, 2018
(in Thousands)

FUNDING SOURCES

Subprogram	Approved Budget	Pay-as-you-Go							Future Aviation Revenue Bonds	
		TSA OTA	FDOT Grants	FAA Grants	PFC Revenue	Reserve Maintenance Fund	Improvement Fund	Other		Bond Proceeds on Hand
MIA Central Base	\$ 108,482		\$ 8,996	\$35,668	\$42,500				\$ 21,318	
Apron & Utilities	404,678		56,378	8,735		\$73,798	\$ 3,576		187,191	
Concourse E	412,769	\$101,161	31,003	3,389					274,995	
South Terminal	322,482		15,371	40,035	31,700		48,000		157,244	
Miscellaneous Projects										
Passenger Boarding Bridges	77,850				68,300				9,550	
Airside Projects	23,964		4,097				6,660		13,207	
General Aviation Airports	28,012		2,359	4,152		900	4,453		16,148	
North Terminal	8,523						7,860	\$663		
Central Terminal	4,516							4,516		
Concourse G Projects	5,239							5,239		
Concourse H Projects	3,219					3,219				
Land Side Projects	22,852						12,675		10,177	
Cargo Projects	2,300						2,300			
<i>Program Contingency</i>	<i>136,080</i>									
	\$1,560,966	\$101,161	\$118,204	\$91,979	\$142,500	\$90,592	\$72,849	\$663	\$127,285	\$815,733

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Details of the CIP

[As of January 2019, the status of the TOP subprograms, which will be tracked as part of the CIP in the future, are as follows: the Central Base project is projected to start construction during the second quarter of calendar year 2019; most of the projects related to the Concourse E subprogram are completed and in use; South Terminal is progressing with the installation of the new outbound baggage handling system; the Miscellaneous Projects subprogram is progressing with the installation of the new Central Terminal ticket counters; and the Passenger Boarding Bridge subprogram has started with the fabrication of the first seven passenger boarding bridges.

More specifically, as of December 31, 2018, the CIP had incurred \$389.5 million in costs out of the \$1.56 billion total budget. The Concourse E and the South Terminal subprograms represent a major portion of these costs. The Concourse E renovation work has included replacing all the passenger boarding bridges, elevators, escalators, the train that connects Concourse E Satellite with Lower Concourse E, roof, and finishes (e.g., flooring and hold room seating); upgrading the life safety features; and rehabbing the Concourse E Satellite apron pavement area. The South Terminal work primarily has included the installation of a new roof at Concourse H and the ongoing installation of a new baggage handling system.

The MIA Central Base Apron and Utilities subprogram is expected to begin construction in the spring of 2019 for the primary purpose of adding needed aircraft parking hardstand positions in the northeast corner of the Airport. The first phase within this subprogram consists of (1) placing a culvert in the canal intersecting the northeast portion of the airfield so that the canal can be paved over as part of the airfield and (2) reconfiguring and resizing some of the existing aircraft parking apron in that area to increase the overall number of aircraft parking positions. The remainder of the adjoining area also will be paved to expand the number of aircraft parking hardstands.

The Capital Projects within the Concourse E subprogram are, for the most part, completed and in use; however, exterior painting, mechanical, and electrical work still needs to be done as well as the construction of a new chiller plant. A designer is currently being procured for this project.

The South Terminal subprogram primarily consists of enhancing and replacing the Central Terminal and South Terminal outbound baggage handling system. TSA has supported this project by awarding the Aviation Department a \$101.2 million grant to pay for part of this project and allowing the Aviation Department to extend the grant expiration deadline. As of December 31, 2018, this project is about 41% complete and is estimated to be finished by the first quarter of 2021. This subprogram also includes the re-roofing of Concourse H, which has been completed, and the Concourse H Headhouse.

The Miscellaneous Projects subprogram includes a wide range of projects at MIA including construction of the Airport Operation Center, which groups operations and control functions into one location; relocation of the taxi lot to enable future airfield expansion; construction of an employee parking garage to accommodate the employee growth of all Airport tenants; replacement of the Central Terminal ticket counters that have been in place for 20 plus years; and rehabilitation of Taxiways R, S, T, extension of Taxiway R, and reconfiguration of Connector Taxiway M5. As of December 31, 2018, the Central Terminal H-G Ticket Counters installation is complete. Construction began on the taxiway project in March 2018; is about 15% complete; and is expected to be completed by the second quarter of 2021.

The Passenger Boarding Bridges ("PBB") subprogram encompasses the replacement during the next five years of thirty-four (34) passenger boarding bridges throughout Concourses D, E, F, G, and potentially H. The Airport's current bridges are over 20 years old and reaching the end of their useful lives. The scope includes the removal and disposal of the existing PBBs and the installation of new PBBs. As of December 31, 2018, the first seven PBBs are under fabrication and scheduled for installation by the end of 2019.

The remaining subprograms primarily represent Capital Projects that did not require an MII review by the MAAC. These projects include the installation of pre-conditioned air equipment on five of the Concourse G gates, the installation of a new jet fuel tank at MIA, and a number of projects at the general aviation airports.

Future Capital Projects

The Aviation Department's Master Plan is in its final stages of preparation and will be presented to the Board in the second quarter of calendar year 2019. The Master Plan contemplates between \$4.0 billion and \$5.0 billion (including the \$1.56 billion discussed in "Details of the CIP" above) in capital development by 2035 and beyond. In the near term, the Aviation Department is planning to redevelop a portion of the Central Terminal in the Concourse F area, to reconfigure the North Terminal aircraft apron parking and to reconfigure the ground loading regional jet operation at the west end of Concourse D (gate D60). The plans and budgets are nearing completion and will be presented to the MAAC in the second quarter of calendar year 2019 followed by an MII vote request.]

FUNDING SOURCES FOR CAPITAL PROJECTS

Federal Grants

The Airport and Airway Improvement Act of 1982, as amended by the Airport and Airway Safety and Capacity Expansion Act of 1987 (the "FAA Act"), created the AIP. The AIP is administered by the FAA and funded by the Airport and Airway Trust Fund, which

is 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. Amounts are based on an airport's level of enplaned passengers 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. AIP "discretionary" funds are selectively disbursed based on the competitiveness of the project within the national priority system established by the FAA. They are also affected by Congressional actions.

As previously discussed, the FAA Act provided stability and predictability for the AIP program through Fiscal Year 2015. The Act also provided tools such as "multi-year" grants that allowed an airport to commence projects and be confident that future funding would be available to complete the projects. See "CERTAIN INVESTMENT CONSIDERATIONS – Federal Legislation" for a further discussion of the FAA Act and recent federal legislation extending the AIP through September 30, 2023.

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

FEDERAL AVIATION GRANTS TO COUNTY

Fiscal Year	Entitlement			Total
	Passenger	Cargo	Discretionary	
2014 ⁽¹⁾	\$ 5,504,372	\$ 6,020,940		\$11,525,312
2015 ⁽²⁾	5,612,523	5,596,994		11,209,517
2016	12,436,857	4,507,536		16,944,393
2017	12,247,467	17,579,142	\$10,065,104	39,891,713
2018	5,625,367	5,664,592	308,625	11,598,584

Source: FAA website and Miami-Dade County Aviation Department.
⁽¹⁾Fiscal Year 2014 grants funds were rolled over to Fiscal Year 2015.
⁽²⁾Fiscal Year 2015 grants funds were rolled over to Fiscal Year 2016.

In Fiscal Years 2014 and 2015, the Aviation Department requested the FAA to roll over entitlement funds to Fiscal Year 2016 because the Aviation Department was assessing the TOP planning and implementation strategies for various projects. In Fiscal Year 2016, the County received \$16,944,393 in FAA funding for (1) the construction of MIA E Satellite Passenger Loading Bridges and MIA Cc "H" Roof Replacement; (2) the design of MIA Taxiway "S," "T" and "R" and M-5 Connector, and MIA Central Base Apron and Utilities Modification & Expansion; and (3) the design of TMB Taxiway A&D Connector and OPF Interior Service Road Phase 2 projects.

On August 29, 2018, the County received grants for a total amount of \$11,598,584 from the FAA for construction work to be performed under: (1) MIA Rehabilitate Central Base Apron Phase 1A, Part A and MIA Expand Cargo Apron Bldg. 716, (2) MIA Acquire Ground Vehicle ADS-B Squitter Equipment and Installation and (3) Miami Executive

Airport (TMB) RIM HS1 Taxiway H West Extension to Threshold Design Services. This project contains elements addressing Runway Incursion Mitigation issues identified by FAA at TMB.

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 the FDOT under Chapter 332 of the Florida Statutes. The State'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 MIA and the GAAs when federal funds are available or 50% of the County's eligible project costs at MIA and 80% at the GAAs when federal funds are 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.

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

<u>Fiscal Year</u>	<u>AIP</u>	<u>Discretionary</u>	<u>Total Collected</u>
2014	\$10,272,049	\$9,022,093	\$19,294,142
2015	17,946,782	4,742,311	22,689,093
2016	22,690,713	5,069,408	27,760,121
2017	15,590,683	80,000	15,670,683
2018	24,341,737	1,000,000	25,341,737

Source: FDOT website and Miami-Dade County Aviation Department.

[Combining the Fiscal Year 2019 grant awards and the funding programmed in the Five-Year Work Plan for Fiscal Years 2020 through 2024, the Aviation Department is anticipating to receive a total of \$131.7 million in FDOT funds.]

In Fiscal Years 2019 and 2020, the following capital projects are slated to receive FDOT grant funding: MIA Taxiway R Realignment & Fuel Demolition with \$8 million, MIA Terminal E Thru F Connector with \$7.5 million, MIA Fuel Storage Facility Expansion (Fuel Tank) with \$5 million, MIA Perimeter Road Widening & Realignment with \$5 million, and Miami Executive Airport Taxiway Rehabilitation project with \$2 million, MIA Central Base Apron & Utilities Modification Phase 1 \$7.3 million, MIA South Terminal and GSE Facility with \$5.5 million and MIA Consolidated Office Complex with \$1.5 million.]

Passenger Facility Charges

The Airport currently collects passenger facility charges ("PFCs") of \$4.50 on each passenger enplaned on an air carrier 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 per round trip). In the past, proposed federal legislation has contemplated an increase of \$2.00 to \$4.00 per segment, but to date, no such increase has been authorized. See "CERTAIN INVESTMENT CONSIDERATIONS – Federal Legislation."

The amount of 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 included in 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. See "SECURITY FOR THE SERIES 2019 BONDS – Rate Covenant."

The balance in the PFC Revenue Account as of June 30, 2018, was \$221 million. On October 4, 2018, the Aviation Department transferred \$55 million in PFC revenues to the Sinking Fund for payment of Fiscal Year 2019 Principal and Interest Requirements.

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 the collection of a PFC of \$4.50 effective date of January 1, 2002. In 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. As mentioned under the heading "AVIATION-RELATED DEBT – Future Indebtedness; Other Capital Expenditures," in Fiscal Year 2019, the Aviation Department plans to use PFC revenues to fund a portion of the TOP, which will require the Aviation Department to submit another PFC application to fund on a pay-as-you-go basis a portion of the PFC eligible project costs related to the TOP.

The Aviation Department has been authorized to collect PFCs in the estimated aggregate amount of \$2.6 billion, including interest. This authorization is currently scheduled to expire in October 2035. The amount of PFC collections from inception through December 31, 2018, was \$1.3 billion. With interest, PFC collections were approximately \$1.4 billion. Of this amount, the Aviation Department has expended \$1.2 billion as of December 31, 2018. Under generally accepted accounting principles, PFCs are reported as non-operating revenues. Aviation Department annual PFC collections from inception through Fiscal Year 2018 are as follows:

<u>Fiscal Year</u>	<u>PFC Collections</u>
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
2010	61,682,383
2011	67,376,838
2012	71,090,000
2013	75,085,113
2014	69,204,436
2015	82,235,233
2016	81,412,522
2017	79,504,021
2018	82,069,642

[For the three-month period ended December 31, 2018, PFC collections were \$21,017,542 versus \$19,446,248 for the corresponding period in 2017.]

Reserve Maintenance Fund and Improvement Fund

Reserve Maintenance Fund monies are used to fund renewal and replacement projects. However, the Aviation Director in previous years has requested that some monies

from the Revenue Fund be set aside in the Reserve Maintenance Fund to finance various major maintenance projects such as the Central Chiller and the replacement of the Concourse E Satellite Train, which is part of the TOP.

The Aviation Department has set aside \$50 million in the Improvement Fund from the Fiscal Year 2014 surplus (the "2014 Surplus") as authorized by the MAAC. Per the 2018 AUA, any surplus monies in the Improvement Fund resulting from better than expected financial results (i.e., actual revenues exceeding budgeted estimates and actual operating expenses being under budget), are to be used to offset the subsequent year's expenses in the annual landing fee calculation unless the MAAC authorizes a set-aside, as it did in Fiscal Year 2014. Through December 2015, the MAAC has authorized usage of \$2.5 million from the 2014 Surplus for the relocation of the Aviation Department's identification badging office from the heliport to within the Terminal Building. In February 2016, the MAAC approved another \$3.1 million set-aside from surplus Fiscal Year 2015 funds for start-up costs related to a new four million gallon fuel tank at MIA. In Fiscal Year 2017, the MAAC authorized the construction of an Airport employee parking garage, which is in the TOP Miscellaneous Projects subprogram, with funds from the 2014 Surplus.

Other Revenues

In Fiscal Year 2013, TSA issued a \$101.2 million "other transaction agreement" ("OTA") for MIA Checked Baggage Recapitalization Screening Design and Construction Services project for the South Terminal, which is included in the TOP under the South Terminal Projects subprogram. The Aviation Department received its first payment under the OTA in June 2016. The project is currently in its construction phase, and requests for reimbursement continue to be submitted under the OTA as project costs are incurred. The TSA grant expiration date has been extended to September 1, 2020.

Future Financings

Ordinances previously enacted by the Board to fund Airport capital projects have authorized the issuance of up to \$6.2 billion in aviation revenue bonds. With the issuance of the Series 2019A Bonds in May 2019, all of the \$6.2 billion in authorized aviation revenue bonds have been issued. [The Aviation Department expects to request authorization to fund approximately \$552 million in revenue bonds required to finance the remaining portion of the current capital program in the next 12 to 18 months.] Refunding Bonds, such as the Series 2019 Bonds, are not limited by such authorizations.

AVIATION DEPARTMENT FINANCIAL INFORMATION

The tables included in this section present a summary of the financial operating results of the Port Authority Properties for Fiscal Year 2014 through Fiscal Year 2018 [and for the three-month periods ended December 31, 2017 and December 31, 2018.]

[The information for the three-month periods ended December 31, 2017 and December 31, 2018, is unaudited.] The information for Fiscal Years 2014 through 2018 is also derived from unaudited financial statements. The data should be read in conjunction with the audited financial statements and related notes included in "APPENDIX A - AUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018."

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, 2018 and includes debt service coverage ratios for those 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 A are audited financial statements for the Aviation Department for the Fiscal Year ended September 30, 2018.

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**PORT AUTHORITY PROPERTIES
HISTORICAL OPERATING RESULTS
(in Thousands)* (Cash Basis, Unaudited)**

	Fiscal Year Ended				
	September 30,				
	2018	2017	2018	2017	2014
	Three Months Ended				
	December 31,				
	2018	2017	2018	2017	2014
MIA Aviation Fees	\$ 91,005	\$ 84,805	\$379,777	\$379,779	\$382,497
Deposit from Improvement Fund ⁽¹⁾	9,791	12,105	97,709	87,220	77,336
Total MIA Aviation Fees	\$100,796	\$ 96,910	\$477,486	\$466,999	\$459,833
Commercial Operations:					
Management Agreements	\$ 20,454	\$ 19,611	\$ 79,545	\$ 79,869	\$ 88,144
Concessions	46,840	45,896	194,108	191,869	189,262
Total Commercial Operations	\$ 67,294	\$ 65,507	\$273,653	\$271,738	\$277,406
Rentals	\$ 35,015	\$ 34,560	\$139,188	\$138,665	\$129,501
Other Revenues	6,790	5,705	32,914	24,137	17,997
Sub-total Revenues	\$209,895	\$202,682	\$923,241	\$901,539	\$884,737
General Aviation Airports	2,000	2,447	8,559	11,612	8,109
Gross Revenues	\$211,895	\$205,129	\$931,800	\$913,151	\$892,846
Expenses:					
Current Expenses	\$ 69,793	\$ 66,108	\$388,053	\$368,097	\$353,597
Current Expenses under Mgmt. Agmt.	3,790	4,439	23,849	21,722	22,416
Current Expenses under Oper. Agmt.	9,896	9,740	42,969	40,155	39,541
Total Current Expenses	\$ 83,479	\$ 80,287	\$454,871	\$429,974	\$402,831
Net Revenues:					
Less: Reserve Maintenance Fund	\$128,416	\$124,842	\$476,929	\$483,177	\$490,015
Deposit	15,000	19,448	20,000	30,000	17,000
Net Revenues After Deposits	\$113,416	\$105,394	\$456,929	\$453,177	\$473,015
Total Debt Service	N/A	N/A	\$359,326	\$363,068	\$362,028
Less: PFC Revenue(used for d/s)	N/A	N/A	58,000	63,000	55,000
Debt Service	N/A	N/A	\$301,326	\$300,068	\$307,028
Debt Service Coverage ⁽¹⁾⁽²⁾	N/A	N/A	1.52x	1.51x	1.58x

Source: Miami-Dade County Aviation Department.

⁽¹⁾ During each Fiscal Year, certain monies 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 2018 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

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Management's Discussion of Financial Information

- Aviation fees, consisting mostly of concourse use fees and landing fees, remained flat in Fiscal Year 2018 as compared to Fiscal Year 2017. This result is due primarily to minimal changes in landing fee rates and concourse use fee rates along with the underlying terminal rental rate, which affects the basic concourse use fee rate.
- The Deposit from the Improvement Fund represents the surplus cash amount realized in the prior Fiscal Year that is transferred during the current Fiscal Year from the Improvement Fund to the Revenue Fund. The amount transferred varies but is relatively stable from year to year and is used to offset the landing fee requirement. Some of the surplus is not transferred back, but rather has been set aside in the Improvement Fund for capital projects as described below.
- In Fiscal Year 2018, the Aviation Department received \$273.7 million in commercial revenues as compared to \$271.7 million in Fiscal Year 2017, a \$1.9 million or 0.70% increase. The greatest increase occurred in ground transportation, which increased by \$1.7 million or 13.3%, primarily due to the increase in usage of Transportation Network Entities by MIA passengers. The other significant increase was in the food and beverage category, which increased \$1.0 million or 4.5% over the prior Fiscal Year due to increased traffic, more food and beverage selections and passengers spending more money on a per passenger basis on food and beverage. Most other commercial revenue categories slightly increased or decreased over the previous Fiscal Year in terms of dollar amounts.
- Other Revenues increased by \$8.8 million or 36.4% primarily due to the increase in interest income from some of the Trust Agreement funds, which in turn is due to the increase in investment interest rates experienced by the County.
- Operating or Current Expenses during Fiscal Year 2018 as compared to Fiscal Year 2017 increased by 5.8%. The major increase is reflected in salary/fringes primarily due to additional personnel, in order to adequately staff the Aviation Department for managing capital projects and to keep up with new regulations, demands, and programs underway and to mitigate any impact to the customer experience. In addition, outside contracts increased because of enhancements to existing contracts and contract escalation costs. Overall, the Aviation Department has sought to minimize increases in operating expenses over the last several Fiscal Years to offset the significant increases in debt service. The Aviation Department's ultimate goal is to keep MIA air carriers' costs per enplaned passenger reasonable.
- The Aviation Department had an extraordinary surplus in Fiscal Year 2015 because the actual operating expenses were significantly below, and the operating

revenues above, the amounts budgeted. This surplus was set aside by the MAAC in the Improvement Fund and some was transferred to the Reserve Maintenance Fund as authorized by the Aviation Director to pay for certain Airport refurbishment projects. In the subsequent Fiscal Years, the surplus amounts have been modest with some monies being transferred to the Reserve Maintenance Fund to reflect the repayment by fuel flowage fees for fuel farm assets that were paid with Reserve Maintenance Fund monies in prior years and to pay for certain Airport refurbishment projects. See "FUNDING SOURCES FOR CAPITAL PROJECTS - Reserve Maintenance Fund and Improvement Fund" for further explanation.

- The Aviation Department implemented a personnel reduction plan that resulted in budgeted positions decreasing from a high of 1,664 in Fiscal Year 2006 to 1,206 in Fiscal Year 2012. A portion of the decrease in positions is due to removing police and fire personnel from the Aviation Department's payroll and paying the County's Fire Rescue and Police Departments directly for these services. Excluding the fire and police related changes, personnel went from a high of 1,772 in Fiscal Year 2006 to 1,491 in Fiscal Year 2012, a 15.9% decrease. For Fiscal Year 2019, the adopted budget allowed for an increase in personnel to 1,400, which is a difference of 194 positions or a modest 16.1% increase over seven years (since Fiscal Year 2012).
- The Aviation Department's discretionary cash position has been increasing over the last few years as noted below, primarily due to the increase in the operating reserve requirement and a greater surplus build-up in the Improvement Fund. This build-up is due to the MAAC approving a \$50 million set aside in the Improvement Fund in Fiscal Year 2015, which has been authorized by the MAAC to be used for relocating the employee identification badging area at MIA and for a new employee parking garage. [As of December 31, 2018, \$49.2 million is remaining in this set-aside.] An additional \$3.125 million set-aside was approved by the MAAC in Fiscal Year 2016 to provide initial funding for the design costs related to the purchase and installation of a new fuel tank at MIA. [As of December 31, 2018, \$2.5 million is remaining in this set-aside.] Shown below is the Aviation Department's operating cash position as of December 31, 2018, and September 30 for the Fiscal Years noted.

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	As of 12/31/2018	2018	2017	2016
Revenue Fund ⁽¹⁾	\$117,087,733	\$104,492,845	\$ 99,082,693	\$110,082,711
Reserve Maintenance Fund	88,085,993	79,544,104	81,479,341	57,718,008
Improvement Fund ⁽²⁾	208,162,505	213,405,684	208,767,537	201,097,911
Total	<u>\$413,336,231</u>	<u>\$397,442,633</u>	<u>\$389,329,571</u>	<u>\$368,898,630</u>

(1) Includes the operating reserve requirement which, as required by the Trust Agreement, was based on 17.0% of the Current Expense annual budget amount for the respective Fiscal Years noted.

(2) The Improvement Fund balances as of the end of the 2016-2018 Fiscal Years include an amount to be transferred back to the Revenue Fund in the subsequent Fiscal Year as required by the 2018 AUA. For Fiscal Year 2018, the amount was \$91.3 million, for Fiscal Year 2017, the amount was \$97.7 million, for Fiscal Year 2016, the amount was \$87.2 million.

[In September 2018, the Board approved the Aviation Department's Fiscal Year 2019 budget. This budget reflects a decrease in the landing fee from \$1.67 per thousand pound unit (in Fiscal year 2018) to \$1.62 per thousand pound unit; the Aviation Department's expectation of a minimal (0.2%) increase in budgeted passengers or 22.8 million enplaned passengers; a \$18.5 million, or 3.7%, increase in Current Expenses; use of \$55.0 million in PFC revenues to pay debt service (compared to \$58.0 million used in Fiscal Year 2018); and a decrease from \$20.0 million to \$15.0 million in the annual deposit to the Reserve Maintenance Fund. Overall debt service will decrease by \$6.3 million and with the decrease in the PFC revenue contribution, the net debt service amount is decreased by \$3.3 million. Total budgeted positions increased 2.5% from 1,366 in Fiscal Year 2018 to 1,400 in Fiscal Year 2019.]

Other Post-Employment Benefits and Pension Benefits

The County provides paid medical and dental plans to active employees of the County. The County also provides retirees the opportunity to participate in the group employee health insurance 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 together with their eligible spouses and dependents. The County contributes to both the pre-65 and post-65 retiree medical coverage. The postretirement medical coverage is funded on a pay-as-you-go basis, where the County's contribution is the actual amount of pay-as-you-go postemployment benefit payments less participant contributions for the period. Medical contributions vary based on plan and tier selected by the retiree. Retirees pay the full cost of dental coverage.

In June 2015, the Governmental Accounting Standards Board issued Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" ("GASB No. 75"), which first became effective for the Aviation Department's Fiscal Year ended September 30, 2018, and replaces the requirements of Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended." This Statement addresses how state and local governments

should account for and report their expenses and liabilities related to post-employment health care and other non-pension benefits referred to as other post-employment benefits ("OPEB"). This Statement requires the liability ("Total OPEB Liability") of employers to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to the employees' past periods of service. The greatest impact of GASB No. 75 on the Aviation Department is the inclusion of the Total OPEB Liability, which will reduce the Aviation Department's Unrestricted Net Position and Total Net Position. Additionally, OPEB expense will no longer be equal to annual OPEB costs, but instead will be equal to the change in Net OPEB Liability from year to year, with adjustments for deferred amounts. The Aviation Department will also be required to include more extensive footnote disclosures and supplementary schedules. As of September 30, 2018, the Aviation Department reported a Total OPEB Liability of approximately \$23.9 million and an annual OPEB expense of approximately \$1.2 million. During the Fiscal Year ended September 30, 2018, the Aviation Department contributed \$1.365 million towards retirees' medical benefits on a pay-as-you-go basis. As of September 30, 2018, no assets have been segregated and restricted to provide postretirement benefits.

The annual OPEB expense and Total OPEB Liability is based on an actuarial valuation of the County's postemployment benefit plan performed by Arthur J. Gallagher & Co. ("Gallagher"), an independent actuary firm. The actuary valuation report is prepared by Gallagher and provided to the County on a biennial basis, the latest actuarial valuation report was provided to the County in December 2018 with a valuation date as of September 30, 2018.

All of the decreases and increases associated with GASB No. 75 are accrual based accounting changes, and do not represent decreases or increases in cash or liquidity positions. The Aviation Department does not expect that implementation of GASB No. 75 will have any effect on the County's ability to pay debt service on the Series 2019 Bonds.

In regard to pension benefits, the Aviation Department contributes to the Florida Retirement System (the "FRS"), a cost-sharing multi-employer plan administered by the State of Florida. Through Fiscal Year 2010, the Aviation Department's pension plan was noncontributory. Beginning July 1, 2011, Aviation Department employees (like all other FRS participants) were required to make a 3% pretax contribution. Combined with the employees' contribution, the County contributed 100% of the annual (Fiscal Year 2018) required contribution to the FRS, which is consistent with past practices by the County.

The Governmental Accounting Standards Board issued Statement No. 68, "Accounting and Financial Reporting for Pensions" ("GASB No. 68") – an amendment to GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers," which first became effective for the Aviation Department's Fiscal Year ended September 30, 2015. As a participating employer, the Aviation Department implemented GASB No. 68, which requires an employer participating in cost-sharing multiple-employer

defined benefit pension plans to report the employer's proportionate share of the net pension liabilities of the defined benefit pension plans. The greatest impact of GASB No. 68 on the Aviation Department is the inclusion of the Aviation Department's proportionate share of the FRS Net Pension Liability (the "Net Pension Liability"), which reduces the Aviation Department's Unrestricted Net Position and Total Net Position. Additionally, pension expense is no longer equal to pension contributions made, but instead is equal to the change in net pension liability from year to year, with adjustments for deferred amounts. The Aviation Department is also now required to include more extensive footnote disclosures and supplementary schedules. As of September 30, 2018, the Aviation Department reported a Net Pension Liability of approximately \$61.1 million and \$17.3 million for its proportionate share of the FRS benefits and the Retiree Health Insurance Subsidy Program, respectively.

All of the decreases associated with GASB No. 68 are accrual based accounting changes, and do not represent decreases in cash or liquidity positions. The Aviation Department does not expect that implementation of GASB No. 68 will have any effect on the County's ability to pay debt service on the Series 2019 Bonds.

Additional information can be found regarding OPEB and the funding of the pension plan in the Notes to the Financial Statements section, particularly Notes 10 and 12, of "APPENDIX A – AUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018."

COUNTY INVESTMENT POLICY

Pursuant to Florida Statutes, Section 218.415, 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 2019 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 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

The following discussion is a summary of the opinions of Co-Bond Counsel to the County that are to be rendered on the tax status of interest on the Series 2019 Bonds and of certain federal income tax considerations that may be relevant to prospective purchasers of the Series 2019 Bonds. This summary is based on existing law, including current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed regulations under the Code, and current administrative rulings and court decisions, all of which are subject to change.

Upon issuance of the Series 2019 Bonds, Co-Bond Counsel to the County will provide their opinions, expected to be in the proposed forms set forth in APPENDIX C hereto, to the effect that, under existing law, (i) interest on the Series 2019C Bonds and on the Series 2019D Bonds (collectively, the "Tax-Exempt Series 2019 Bonds") is excluded from gross income for federal income tax purposes, except with respect to interest on the Series 2019C Bonds for any period during which such Series 2019C Bonds are held by a person who is a "substantial user" of the facilities financed 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.

The opinions of Co-Bond Counsel also will provide to the effect that, under existing law, the Series 2019 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

Tax-Exempt Series 2019 Bonds

The foregoing opinions with respect to the Tax-Exempt Series 2019 Bonds will assume compliance by the County with certain requirements of the Code that must be met subsequent to the issuance of the Tax-Exempt Series 2019 Bonds. The County will certify, represent and covenant to comply with such requirements. Failure to comply with such

requirements could cause the interest on the Tax-Exempt Series 2019 Bonds to be included in gross income, or could otherwise adversely affect such opinions, retroactive to the date of issuance of the Tax-Exempt Series 2019 Bonds.

Certain of the Tax-Exempt Series 2019 Bonds (the "Discount Bonds") are being offered and sold to the public in their original public offering at an original issue discount. Generally, original issue discount is the excess of the stated redemption price at maturity of any Discount Bond over the issue price of the Discount Bond. Co-Bond Counsel have advised the County and the Underwriters that, under existing laws and to the extent interest on any Discount Bond is excluded from gross income for federal income tax purposes, the original issue discount on any such Discount Bond that accrues during the period such person holds the Discount Bond will be treated as interest that is excluded from gross income for federal income tax purposes with respect to such holder, and will increase such holder's tax basis in any such Discount Bond. Purchasers of any Discount Bond should consult their tax advisors regarding the proper computation and accrual of original issue discount.

If a holder purchases a Tax-Exempt Series 2019 Bond for an amount that is greater than its stated redemption price at maturity, such holder will be considered to have purchased the Tax-Exempt Series 2019 Bond with "amortizable bond premium" equal in amount to such excess. A holder must amortize such premium using a constant yield method over the remaining term of the Tax-Exempt Series 2019 Bond, based on the holder's yield to maturity. As bond premium is amortized, the holder's tax basis in such Tax-Exempt Series 2019 Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or other disposition of the Tax-Exempt Series 2019 Bond prior to its maturity. No federal income tax deduction is allowed with respect to amortizable bond premium on a Tax-Exempt Series 2019 Bond. Purchasers of the Tax-Exempt Series 2019 Bonds with amortizable bond premium should consult with their own tax advisors regarding the proper computation of amortizable bond premium and the state and local tax consequences of owning such Tax-Exempt Series 2019 Bonds.

Other than the matters specifically referred to above, Co-Bond Counsel will express no opinions regarding the federal, state, local or other tax consequences of the purchase, ownership and disposition of the Tax-Exempt Series 2019 Bonds. Prospective purchasers of the Tax-Exempt Series 2019 Bonds should be aware, however, that the Code contains numerous provisions under which receipt of interest on the Tax-Exempt Series 2019 Bonds may have adverse federal tax consequences for certain taxpayers. Such consequences include the following: (1) Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Tax-Exempt Series 2019 Bonds or, in the case of financial institutions, a portion of a holder's interest expense allocated to interest on the Tax-Exempt Series 2019 Bonds; (2) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the

deduction for loss reserves by 15% of the sum of certain items, including interest on the Tax-Exempt Series 2019 Bonds; (3) interest on the Tax-Exempt Series 2019 Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code; (4) passive interest income, including interest on the Tax-Exempt Series 2019 Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income; and (5) Section 86 of the Code requires recipients of certain Social Security and certain railroad retirement benefits to take into account, in determining the inclusion of such benefits in gross income, receipts or accrual of interest on the Tax-Exempt Series 2019 Bonds.

The IRS has an ongoing program of auditing state and local government obligations, which may include randomly selected bond issues for audit, to determine whether interest paid to the holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Tax-Exempt Series 2019 Bonds will be audited. If an audit is commenced, under current IRS procedures the holders of the Tax-Exempt Series 2019 Bonds may not be permitted to participate in the audit process. Moreover, public awareness of an audit of the Tax-Exempt Series 2019 Bonds could adversely affect their value and liquidity.

Co-Bond Counsel to the County will render their opinions as of the issuance date, and will assume no obligation to update their opinions after the issuance date to reflect any future facts or circumstances, or any future changes in law or interpretation, or otherwise. Moreover, the opinions of Co-Bond Counsel are not binding in the courts on the IRS; rather, such opinions represent Co-Bond Counsel's legal judgment based upon their review of existing law and upon the certifications, representations and covenants referenced above.

Amendments to federal and state tax laws are proposed from time to time and could be enacted, and court decisions and administrative interpretations may be rendered, in the future. There can be no assurance that any such future amendments or actions will not adversely affect the value of the Tax-Exempt Series 2019 Bonds, the exclusion of interest on the Tax-Exempt Series 2019 Bonds from gross income, alternative minimum taxable income, or any combination thereof from the date of issuance of the Tax-Exempt Series 2019 Bonds or any other date, or that such changes will not result in other adverse federal or state tax consequences.

Series 2019E Bonds

As described in greater detail below, interest on the Series 2019E Bonds is not excluded from gross income for federal income tax purposes.

In General

The following is a summary of certain of the United States federal income tax consequences of the ownership and disposition of the Series 2019E Bonds as of the date hereof. Each prospective purchaser of the Series 2019E Bonds should consult with its own tax advisor regarding the application of United States federal income tax laws, as well as any state, local, foreign or other tax laws, to its particular situation.

This summary is based on the Code, as well as Treasury Department regulations and administrative and judicial rulings and practice. Legislative, judicial and administrative changes may occur, possibly with retroactive effect, that could alter or modify the continued validity of the statements and conclusions set forth herein. This summary is intended as a general explanatory discussion of the consequences of holding the Series 2019E Bonds and does not purport to furnish information in the level of detail or with the prospective purchaser's specific tax circumstances that would be provided by a prospective purchaser's own tax advisor. For example, this summary deals only with Series 2019E Bonds held as capital assets within the meaning of Section 1221 of the Code and does not address tax consequences to owners that may be relevant to investors subject to special rules, such as trusts, estates, tax-exempt investors, cash method taxpayers, dealers in securities, currencies or commodities, banks, thrifts, insurance companies, electing large partnerships, mutual funds, regulated investment companies, real estate investment trusts, S corporations, persons that hold Series 2019E Bonds as part of a straddle, hedge, integrated or conversion transaction, accrual basis holders subject to special tax accounting rules as a result of their use of financial statements, and persons whose "functional currency" is not the U.S. dollar. In addition, this summary does not address alternative minimum tax issues or the indirect consequences to a holder of an equity interest in an owner of Series 2019E Bonds.

As used herein, a "U.S. holder" is a U.S. person that is a beneficial owner of a Series 2019E Bond. For these purposes, a "U.S. person" is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or any political subdivision thereof (except, in the case of a partnership, to the extent otherwise provided in Treasury Department regulations), an estate the income of which is subject to United States federal income taxation regardless of its source or a trust if (i) a United States court is able to exercise primary supervision over the trust's administration and (ii) one or more U.S. persons have the authority to control all of the trust's substantial decisions. A "non-U.S. holder" is a holder (or beneficial owner) of a Series 2019E Bond that is not a U.S. person.

U.S. Holders

Interest. Interest on the Series 2019E Bonds generally will be taxable to a U.S. holder as ordinary interest income at the time such amounts are accrued or received, in

accordance with the U.S. holder's method of accounting for U.S. federal income tax purposes.

To the extent that the issue price of the Series 2019E Bonds is less than the amount to be paid at maturity of such Series 2019E Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2019E Bonds), the difference may constitute original issue discount ("OID"). U.S. holders of the Series 2019E Bonds will be required to include OID in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest (which may be before the receipt of cash payments attributable to such income). Under this method, U.S. holders generally will be required to include in income increasingly greater amounts of OID in successive accrual periods.

The Series 2019E Bonds purchased for an amount in excess of the principal amount payable at maturity (or, in some cases, at their earlier call date) will be treated as issued at a premium. A U.S. holder of a Series 2019E Bond issued at a premium may make an election, applicable to all debt securities purchased at a premium by such U.S. holder, to amortize such premium, using a constant yield method over the term of such Series 2019E Bond.

Sale or Other Taxable Disposition of the Series 2019E Bonds. Unless a nonrecognition provision of the Code applies, the sale, exchange, redemption, retirement or other disposition of a Series 2019E Bond will be a taxable event for U.S. federal income tax purposes. In such event, in general, a U.S. holder of a Series 2019E Bond will recognize gain or loss equal to the difference between (i) the amount of cash plus the fair market value of property received (except to the extent attributable to accrued but unpaid interest on the Bond, which will be taxed in the manner described above) and (ii) the U.S. holder's adjusted U.S. federal income tax basis in the Series 2019E Bond (generally, the purchase price paid by the U.S. holder for the Bond, decreased by any amortized premium, and increased by the amount of any OID previously included in income by such U.S. holder with respect to such Bond). Any such gain or loss generally will be capital gain or loss. In the case of a non-corporate U.S. holder of the Series 2019E Bonds, the maximum marginal U.S. federal income tax rate applicable to any such gain will be lower than the maximum marginal U.S. federal income tax rate applicable to ordinary income if such U.S. holder's holding period for the Series 2019E Bonds exceeds one year. The deductibility of capital losses is subject to limitations.

Information Reporting and Backup Withholding. Payments on the Series 2019E Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate U.S. holder of the Series 2019E Bonds may be subject to backup withholding at the current rate of 24% with respect to "reportable payments," which include interest paid on the Series 2019E Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Series 2019E Bonds. The

payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against the U.S. holder's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain U.S. holders (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. A holder's failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

Non U.S. Holders

Interest. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," payments of principal of, and interest on, any Series 2019E Bond to a Non-U.S. holder, other than a bank which acquires such Series 2019E Bond in consideration of an extension of credit made pursuant to a loan agreement entered into in the ordinary course of business, will not be subject to any U.S. federal withholding tax provided that the non-U.S. holder of the Series 2019E Bond provides a certification completed in compliance with applicable statutory and regulatory requirements, which requirements are discussed below under the heading "Information Reporting and Backup Withholding," or an exemption is otherwise established.

Disposition of the Series 2019E Bonds. Subject to the discussions below under the headings "Information Reporting and Backup Withholding" and "FATCA," any gain realized by a Non-U.S. holder upon the sale, exchange, redemption, retirement (including pursuant to an offer by the County) or other disposition of a Series 2019E Bond generally will not be subject to U.S. federal income tax, unless (i) such gain is effectively connected with the conduct by such Non-U.S. holder of a trade or business within the United States; or (ii) in the case of any gain realized by an individual Non-U.S. holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement (including pursuant to an offer by the County) or other disposition and certain other conditions are met.

U.S. Federal Estate Tax. A Series 2019E Bond that is held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of such individual's death, provided that, at the time of such individual's death, payments of interest with respect to such Series 2019E Bond would not have been effectively connected with the conduct by such individual of a trade or business within the United States.

Information Reporting and Backup Withholding. Subject to the discussion below under the heading "FATCA," under current U.S. Treasury Regulations, payments of

principal and interest on any Series 2019E Bonds to a Non-U.S. holder will not be subject to any backup withholding tax requirements if the Non-U.S. holder or a financial institution holding the Series 2019E Bond on behalf of the Non-U.S. holder in the ordinary course of its trade or business provides an appropriate certification to the payor and the payor does not have actual knowledge that the certification is false. If a Non-U.S. holder provides the certification, the certification must give the name and address of such holder, state that such holder is not a United States person, or, in the case of an individual, that such holder is neither a citizen nor a resident of the United States, and the holder must sign the certificate under penalties of perjury. The current backup withholding tax rate is 24%.

Foreign Account Tax Compliance Act ("FATCA"). Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to foreign financial institutions, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain U.S. persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, FATCA imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial U.S. owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Series 2019E Bonds and sales proceeds of Series 2019E Bonds held by or through a foreign entity. In general, withholding under FATCA currently applies to payments of U.S. source interest (including OID) and will apply to certain "pass-thru" payments made two years after the date on which applicable final Treasury regulations are issued. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

Defeasance

Defeasance of any Series 2019E Bond may result in a deemed disposition of such Series 2019E Bond and a deemed reissuance of a "new" Series 2019E Bond to the holder for U.S. federal income tax purposes, in which case a holder would recognize taxable gain or loss equal to the difference between the amount realized from the deemed exchange and the holder's adjusted tax basis in the Series 2019E Bond. The "new" Series 2019E Bond deemed reissued in such a defeasance may be treated as issued with OID in an amount equal to the excess, if any, of the stated redemption price at maturity of the "new" Series 2019E Bond over its deemed issue price. Prospective investors are urged to consult their own tax advisors regarding the tax consequences of a defeasance of the Series 2019E Bonds.

Additional Medicare Tax

An additional 3.8% tax will be imposed on the "net investment income" of certain individuals, estates and trust that have "modified adjusted gross income" above a certain threshold. Net investment income includes, but is not limited to, interest on a Series 2019E Bond and gains from the sale or disposition of a Series 2019E Bond. Prospective investors should consult their tax advisors regarding the possible applicability of this tax to an investment in the Series 2019E Bonds.

Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors as to the applicability and extent of federal, state, local or other tax consequences of the purchase, ownership and disposition of the Series 2019 Bonds, including the potential consequences of any pending or proposed legislation, in light of their particular tax situation.

CONTINUING DISCLOSURE

The County has covenanted in the Series 2019 Resolution, in accordance with the provisions of, and to the degree necessary to comply with, the continuing disclosure requirements of Rule 15c2-12, as amended ("Rule 15c2-12") of the SEC, to provide or cause to be provided for the benefit of the beneficial owners of the Series 2019 Bonds to the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access System ("EMMA") and in an electronic format prescribed by the MSRB and such other municipal securities information repository as may be required by law or applicable regulation, from time to time (each such information repository, a "MSIR"), the following annual financial information (the "Annual Information"), with the first such installment of Annual Information to be provided with respect to the Fiscal Year ending September 30, 2019:

(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 this Official Statement for the Series 2019 Bonds, and such additional operating information as may be determined by the Aviation Department; and

(2) The audited Aviation Department's Comprehensive Annual Financial Report utilizing generally accepted accounting principles applicable to local governments.

The information in paragraphs (1) and (2) above is expected to be available on or before June 1 of each year for the preceding Fiscal Year and will be made available, in addition to the Trustee and each MSIR, to each Beneficial Owner of the Series 2019 Bonds who requests such information in writing. The audited Aviation Department's Comprehensive Annual Financial Report referred to in

paragraph (2) above is expected to be available separately from the information in paragraph (1) above and will be provided by the County as soon as practical after the 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.

The County has also agreed 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.

The foregoing obligations of the County shall remain in effect only so long as the Series 2019 Bonds are Outstanding. The County has reserved the right to terminate its obligation 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 2019 Bonds within the meaning of the Rule.

Notwithstanding the foregoing, each MSIR to which information shall be provided shall include each MSIR approved by the SEC prior to the issuance of the Series 2019 Bonds. In the event that the SEC approves any additional MSIRs after the date of issuance of the Series 2019 Bonds, the County will, if the County is notified of such additional MSIRs, provide such information to the additional MSIRs. Failure to provide such information to any new MSIR whose status as a MSIR is unknown to the County shall not constitute a breach of this covenant.

The requirements of filing the Annual Information do not necessitate the preparation of any separate annual report addressing only the Series 2019 Bonds. The requirements may be met by the filing of an annual information statement or the 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.

The County has selected Digital Assurance Certification, L.L.C. ("DAC") to serve as the County's disclosure dissemination agent for purposes of filing the Annual Information as required by the Rule with the MSRB in an electronic format prescribed by the MSRB. During any period that DAC or any other party is acting as disclosure dissemination agent for the County with respect to the County's continuing disclosure obligations, the County will comply with the provisions of any agreement by and between the County and any such disclosure dissemination agent.

The County has reserved the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, provided that the County has agreed that any such modification will be done in a manner consistent with the Rule. See "APPENDIX F – CONTINUING DISCLOSURE UNDERTAKING" for a complete copy of the County's continuing disclosure undertaking.

Obligated Persons

The County has determined that as of the issuance of the Series 2019 Bonds, the County will be the sole Obligated Person (as defined in the Rule) with respect to the Series 2019 Bonds.

Because the County will be the sole Obligated Person with respect to the Series 2019 Bonds at the time of their issuance, the County's continuing disclosure undertaking does 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 2018 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.

Procedures and Past Performance

The County has procedures in place with respect to its continuing disclosure undertakings and, as noted above, utilizes DAC to assist it in its compliance. The following information describes the instances of noncompliance with such undertakings, known to the County, in the past five years.

[In addition, the County inadvertently failed to file notices of ratings downgrades by Standard & Poor's Rating Services of MBIA Insurance Corporation ("MBIA") affecting the insured ratings on certain bonds issued by the County and insured by MBIA. Each of

these notice failures was cured by the County on November 22, 2013, April 1, 2014 and April 21, 2015.]

[The County is the sole borrower under loans from the Sunshine State Governmental Financing Commission (the "Commission"), funded by the Commission's fixed-rate Revenue Bonds (Miami-Dade County Program), Series 2010A-1, 2010B-1, 2011A, 2011B-1 and 2011C-1 (collectively, the "Commission Bonds") and, as such, an "obligated person" under the Rule. Pursuant to its undertakings with the Commission, the County is required to provide certain annual financial information, including its comprehensive annual financial report (the "CAFR"), for filing by the Commission with the MSRB by June 1 of each year, along with County event and late filing notices, as required by the Rule. While the County independently filed its required annual financial information for Fiscal Years 2011 through 2014 with the MSRB, such information was not cross-referenced to the CUSIP numbers for the Commission Bonds. In September 2015, the Commission made the corrective filings needed to incorporate the County's annual financial information for Fiscal Years 2011 through 2014 into the continuing disclosure archive for the Commission Bonds.]

Limited Information; Limited Rights of Enforcement

The County's obligation under its continuing disclosure undertaking with respect to the Series 2019 Bonds is limited to supplying limited information at specified times and may not provide all information necessary to determine the value of the Series 2019 Bonds at any particular time.

The County has agreed that its undertaking pursuant to the Rule set forth in the Series 2019 Resolution and this Official Statement is intended to be for the benefit of the Beneficial Owners of the Series 2019 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 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 2019 Bonds.

EMMA System

Under existing law, County filings of continuing disclosure under the County's continuing disclosure undertaking must be made through the EMMA system (Electronic Municipal Market Access), established and maintained by the MSRB. 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 2019 Bonds.

While all filings under the Rule must be made through EMMA, filings made by the County prior to July 1, 2009 with respect to its continuing disclosure obligations relating to the Outstanding Bonds, cannot be found through the EMMA system and must be located through the pre-existing MSIRs.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), Kroll Bond Rating Agency ("KBRA") and Fitch Ratings ("Fitch," and together with S&P and KBRA, the "Rating Agencies") have assigned the ratings of "___" (___ outlook), "___" (___ outlook) and "___" (___ outlook), respectively, to the Series 2019 Bonds.

The ratings and outlooks reflect only the view of the Rating Agencies. Any desired explanation of the significance of such ratings and outlooks should be obtained from the Rating Agency furnishing the same. Generally, the Rating Agencies base their ratings and outlooks on the information and materials furnished to them and on investigations, studies and assumptions by them. There is no assurance that the ratings or outlooks 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 or outlook may have an adverse effect on the market price of the Series 2019 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2019 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 2019 Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Series 2019 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 2019 Bonds are being purchased by the Underwriters listed on the cover page hereof, for whom _____ is acting as representative. Subject to certain conditions, the Underwriters have agreed to purchase all of the (i) Series 2019C Bonds at a purchase price of \$_____, representing the original principal amount of \$_____, plus/less net original issue premium/discount of \$_____, and less an

Underwriters' discount of \$ _____; (ii) Series 2019D Bonds at a purchase price of \$ _____, representing the original principal amount of \$ _____, plus/less net original issue premium/discount of \$ _____, and less an Underwriters' discount of \$ _____; and (iii) Series 2019E Bonds at a purchase price of \$ _____, representing the original principal amount of \$ _____, less an Underwriters' discount of \$ _____. The Bond Purchase Agreement (the "BPA") between the Underwriters and the County provides that the Underwriters will purchase all of the Series 2019 Bonds, if any are purchased. The prices and yields for the Series 2019 Bonds set forth on the inside cover page may be changed after the initial offering by the Underwriters.

The Underwriters are being compensated by the underwriting discounts set forth in the BPA described above. Payment or receipt of the underwriting discounts is contingent on the closing of the transaction and the amount of the discounts may be based, in whole or in part, on a percentage of the principal amount of the Series 2019 Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the Underwriters may have an incentive to recommend to the issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary unless a larger deal size is deemed by the issuer to be financially beneficial.

Certain of the Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the County and to persons and entities with relationships with the County, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, certain of the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the County (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the County. Certain of the Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

In addition, certain of the Underwriters have entered into distribution agreements with other broker-dealers (that have not been designated by the County as Underwriters) for the distribution of the Series 2019 Bonds at the original issue prices. Such agreements generally provide that the relevant Underwriter will share a portion of its underwriting compensation or selling concession with such broker-dealers.

FINANCIAL ADVISOR

Hilltop Securities Inc., Miami, Florida, served as financial advisor (the "Financial Advisor") to the Aviation Department with respect to the offering of the Series 2019 Bonds. The Financial Advisor has assisted the County in the preparation of this Official Statement and has advised the County as to other matters relating to the planning, structuring and issuance of the Series 2019 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The fee payable to the Financial Advisor is contingent upon the issuance and delivery of the Series 2019 Bonds.

RELATIONSHIPS OF PARTIES

A number of the firms serving as Co-Bond Counsel, Co-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 and (2) represent the County on certain other matters.

FINANCIAL STATEMENTS

The financial statements of the Aviation Department as of and for the Fiscal Year ended September 30, 2018, included in APPENDIX A have been audited by Cherry Bekaert LLP, independent auditors, as stated in their report appearing in APPENDIX A. Such financial statements speak only as of September 30, 2018 and have been included as a matter of public record. Cherry Bekaert 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 Cherry Bekaert LLP for the use of the financial statements herein has not been sought. See "APPENDIX A – AUDITED FINANCIAL STATEMENTS OF THE AVIATION DEPARTMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018."

CERTAIN LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2019 Bonds are subject to the legal opinions of Hogan Lovells US LLP, Washington, DC and Law Offices of Steve E. Bullock, P.A., Miami, Florida, Co-Bond Counsel to the County. 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 Nabors, Giblin & Nickerson, P.A., Tampa, Florida, and Manuel Alonso-Poch, P.A., Miami, Florida, Co-Disclosure Counsel, whose opinions will be delivered with the Series 2019 Bonds. _____, _____, _____, is acting as counsel to the Underwriters. The fees payable to Co-Bond Counsel, Co-Disclosure Counsel and Underwriters' counsel are contingent upon the issuance and delivery of the Series 2019 Bonds.

The proposed text of the separate legal opinions of Co-Bond Counsel and Co-Disclosure Counsel are set forth as "APPENDIX D – PROPOSED FORM OF CO-BOND COUNSEL OPINION" and "APPENDIX E – PROPOSED FORM OF CO-DISCLOSURE COUNSEL OPINION," respectively. The actual legal opinions to be delivered may vary from the text of APPENDIX D and APPENDIX E, if necessary, to reflect facts and law on the date of delivery of the Series 2019 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 Co-Bond Counsel have affirmed their opinion or that Co-Disclosure Counsel have reviewed or expressed any opinion concerning any of the matters referenced in this Official Statement.

The approving legal opinions of Co-Bond Counsel will be limited to the matters set forth therein and will make no statement regarding the accuracy and completeness of this Official Statement.

The legal opinions of Co-Bond Counsel, Co-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 Co-Bond Counsel, Co-Disclosure Counsel and the Office of the Miami-Dade County Attorney as of the date thereof. Co-Bond Counsel, Co-Disclosure Counsel and the Office of the Miami-Dade County Attorney assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law that may thereafter occur or become effective.

The legal opinions to be delivered concurrently with the delivery of the Series 2019 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

[To be reviewed by Aviation Department Attorneys and County Attorney's Office]

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 2019 Bonds or questioning or affecting the validity of the Series 2019 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 any claim, or, to the knowledge of County officials, any threatened 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 liability at the Airport as of September 30, 1993.

In each subsequent year, the Aviation Department received an updated study performed by Wood Environment and Infrastructure Solutions, Inc. ("Wood"), formerly known as AMEC Foster Wheeler Environment and Infrastructure, Inc. and MACTEC Engineering and Consulting, 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.

As a result of the updated study and costs incurred in Fiscal Year 2018, the total cumulative estimated cost to correct such violations was \$188.4 million. This estimate allows for uncertainties as to the nature and extent of environmental reparations and the methods which must be employed for the remediation. The cumulative amount of environmental expenditures spent through September 30, 2018 approximated \$150.0 million. The Aviation Department has also spent \$56.3 million in other environmental-related projects which are not part of any consent order.

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 the violations cited in the consent orders/agreements entered into 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, \$24 million was approved for reimbursement. The Aviation Department appealed approximately \$10.1 million in denied supplemental payment requests for reimbursement and audited amounts, which was settled for an additional \$4.6 million that brought the total reimbursed to \$28.6 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 \$30 million as a result of these settlements, which, along with the IPTF recoveries, brings the total recovered under the Cost Recovery Program to approximately \$60.3 million.

In January 2019, the Opinion of Cost report was further updated to reflect changes that occurred during Fiscal Year 2018. The estimated cost to the Aviation Department to address the contamination as of September 30, 2018 is approximately \$38.3 million. Such amounts are scheduled by Wood to be incurred by the County over seven years, but based on recent historical spending levels, it will take longer to complete the work. As a result, the Aviation Department has recorded a liability of \$38,355,000 for the Airport as of September 30, 2018. The liability recorded by the Aviation Department does not include an estimate of any environmental violations at the three general aviation airports or at the two training airports. Management is not aware of any such liabilities, and the occurrence of any would not be material to the Airport's financial statements. Management also believes that no specific amount in the range represents a better estimate of the ultimate liability. Environmental costs that are operating in nature will be included in the annual operating budget while those costs that are directly related to capital projects will be paid from the related project's funding source(s) including the Cost Recovery Program.

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 Air Lines and Pan American World Airways. The studies estimate the cost to correct the damage related to all buildings to be approximately \$4.5 million. The Aviation Department does not intend to correct all assessed damage related to asbestos in the near future as they pose no imminent danger to the public. Specific issues will be addressed when and if the Aviation Department decides to renovate or demolish related buildings. At such time, the Aviation Department will obligate itself to the cleanup or asbestos abatement. As emergencies or containment issues, if any, arise from these conditions, they will be isolated and handled on a case-by-case basis as part of the Airport's repair and maintenance program. Such amounts do not represent a liability of the Aviation Department until a decision is made by the Aviation Department's management to modify the buildings, which would require the Aviation Department to correct such matters. As a result, no amounts are recorded as of September 30, 2018.

The nature of ground and groundwater contamination at MIA can be divided into two categories: petroleum-related contamination and hazardous/nonhazardous contamination. The Opinion of Cost is divided into three large areas: the Inland Protection Trust Fund (IPTF), which was created by the State of Florida to deal with contamination related to petroleum products in sites that qualified for that program; the non-IPTF contamination relating to other sites that might include petroleum as well as hazardous-/nonhazardous-related contamination; and the nonconsent items, which can be either of the above categories but were not specifically listed in the Consent Order.

The table below summarizes the remediation liability by nature of contaminant as of September 30, 2018.

Nature of Contamination	IPTF	Non-IPTF	Nonconsent	Totals
Petroleum	\$4,435,000	--	--	\$ 4,435,000
Hazardous / nonhazardous	--	\$29,475,000	\$4,445,000	33,920,000
Total	\$4,435,000	\$29,475,000	\$4,445,000	\$38,355,000

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 2019 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 2019 Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The arithmetical accuracy of certain computations included in the schedules provided by the Financial Advisor on behalf of the County relating to the computation of forecasted receipts of principal and interest on the Government Obligations and the forecasted payments of principal and interest to pay through their applicable redemption dates the Refunded Bonds and supporting the conclusion of Co-Bond Counsel that the Series 2019 Bonds do not constitute "arbitrage bonds" under Section 148 of the Internal

Revenue Code of 1986, as amended, was examined by the Verification Agent. Such computations were based solely upon assumptions and information supplied by the Financial Advisor on behalf of the County. The Verification Agent has restricted its procedures to examining the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and, accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions, or the achievability of the forecasted outcome.

CERTIFICATE OF FINANCE DIRECTOR AND AVIATION DIRECTOR CONCERNING THIS OFFICIAL STATEMENT

Concurrently with the delivery of the Series 2019 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 2019 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 2019 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 2019 Bonds, the security for the payment of the Series 2019 Bonds and the rights and obligations of the owners of the Series 2019 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

**AUDITED ANNUAL FINANCIAL STATEMENTS OF THE AVIATION
DEPARTMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST AGREEMENT

APPENDIX C

**SUMMARY OF CERTAIN PROVISIONS OF THE 2018 AIRLINE USE
AGREEMENT AND THE PREFERENTIAL GATE USE AGREEMENT**

APPENDIX D

PROPOSED FORM OF CO-BOND COUNSEL OPINION

APPENDIX E

PROPOSED FORM OF CO-DISCLOSURE COUNSEL OPINION

APPENDIX F
CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING
(Section 10 of the Series 2019 Resolution)

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 2019 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"), with the first such installment of Annual Information to be provided with respect to the Fiscal Year ending September 30, 2019:

(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 2019 Bonds, and such additional operating information as may be determined by the Aviation Department; and

(2) The audited Aviation Department's Comprehensive Annual Financial Report 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 2019 Bonds who requests such information in writing. The audited Aviation Department's Comprehensive Annual Financial Report referred to in paragraph (2) above is 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 the audited financial 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 (not in excess of ten (10) business days) after the occurrence of the event, 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 2019 Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;

(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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Tax-Exempt Bonds, or other material events affecting the tax status of the Tax-Exempt Bonds;

(7) modifications to rights of Registered Owners of the Series 2019 Bonds, if material;

(8) Series 2019 Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution or sale of any property securing repayment of the Series 2019 Bonds, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the County (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County);

(13) the consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee, or the change of name of a trustee, if material;

(15) incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

For purposes of clauses subsections (15) and (16) above, "financial obligation" shall have the meaning set forth in the Rule.

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 2019 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 2019 Bonds.

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 2019 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, however, that the Trustee's right to enforce the provisions of this undertaking shall be on behalf of all Beneficial Owners and shall be limited to a right to obtain specific performance of the County's obligations 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 2019 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 2019 Bonds. In the event that the Securities and Exchange Commission approves any additional MSIRs after the date of issuance of the Series 2019 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 2019 Bonds. The requirements of subsection A above may be met by the filing of an annual information statement or the audited Aviation Department's Comprehensive Annual Financial Report 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 2019 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 Co-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 2019 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 the County along with full documentary support as part of the written request described above.

J. The Board further authorizes and directs the County Mayor 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 County Mayor shall further be authorized to make such additions, deletions and modifications to the Covenants prior to the issuance of the Series 2019 Bonds as he shall deem necessary or desirable in consultation with the County Attorney, Co-Bond Counsel and Co-Disclosure Counsel.

K. Any change in Obligated Persons shall be reported by the County in connection with its Annual Information. If any person, other than the County, becomes an Obligated Person relating to the Series 2019 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.

APPENDIX G
BOOK-ENTRY ONLY SYSTEM

BOOK-ENTRY ONLY SYSTEM

The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2019 Bonds, payment of interest and principal on the Series 2019 Bonds to Participants or Beneficial Owners of the Series 2019 Bonds, confirmation and transfer of beneficial ownership interest in the Series 2019 Bonds and other related transactions by and between DTC, the Participants and the Beneficial Owners of the Series 2019 Bonds is based solely on information furnished by DTC on its website. Accordingly, the County can make no representations concerning these matters or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2019 Bonds. The Series 2019 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each issue of the Series 2019 Bonds, each in the aggregate principal amount of such issue, 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 (the "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 (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. 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.

Purchases of the Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 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 2019 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive bond certificates representing their ownership interests in the Series 2019 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 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 2019 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 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an 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 made among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2019 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Trust Agreement. For example, Beneficial Owners of the Series 2019 Bonds may wish to ascertain that the nominee holding the Series 2019 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent by the Registrar and Paying Agent to DTC. If less than all of the Series 2019 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2019 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2019 Bonds will be made to Cede & Co., or to such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Registrar and Paying Agent 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, the Registrar and Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments 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 Registrar and Paying Agent, for the Series 2019 Bonds. 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 the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the Issuer or its agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2019 Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2019 Bond certificates will be printed and delivered to DTC.

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

Registration, Transfer and Exchange

In the event of discontinuance of the book-entry only system, the Series 2019 Bonds will be subject to transfer and exchange as described below. The County shall cause the Registrar and Paying Agent to be kept at the designated corporate trust office of the Registrar and Paying Agent. Upon surrender for transfer of any Series 2019 Bonds at the

designated corporate trust office of the Registrar and Paying Agent, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Registrar and Paying Agent and duly executed by, the registered owner or the attorney of such owner duly authorized in writing with signature guaranteed by a member firm of STAMP, SEMP or MSP signature guaranty medallion program, the County shall execute and the Registrar and Paying Agent shall authenticate, date and deliver in the name of the transferees a new Series 2019 Bond or Series 2019 Bonds of the same series and maturity, of Authorized Denominations, for the same aggregate principal amount and of like tenor. Any Series 2019 Bond may be exchanged at the office of the Registrar and Paying Agent for the same aggregate principal amount of such Series 2019 Bonds and of like tenor. The execution by the County of any Series 2019 Bonds shall constitute full and due authorization of such Series 2019 Bonds and the Registrar and Paying Agent shall thereby be authorized to authenticate, deliver and date such Series 2019 Bonds.

The County and the Registrar and Paying Agent shall deem and treat the registered owner of any Series 2019 Bond as the absolute owner of such Series 2019 Bond for the purpose of receiving payment of or on account of principal of such Series 2019 Bond and premium, if any, thereon and interest due thereon and for all other purposes.

EXHIBIT "C"

ESCROW DEPOSIT AGREEMENT

(on file with the Clerk's Office)