

Memorandum



(Public Hearing 7-8-20)
Date: March 3, 2020

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 printed name.

Agenda Item No. 5(G)

Subject: Ordinance Authorizing the Issuance of \$5.0 Billion of Aviation Revenue Bonds

Recommendation

It is recommended that the Board of County Commissioners (Board) enact the accompanying ordinance which authorizes the issuance of not to exceed \$5.0 billion of Aviation Revenue Bonds (2020 Authorization) pursuant to the provisions of the Amended and Restated Trust Agreement (Trust Agreement) for the purpose of financing, together with other funds of the Miami-Dade County Aviation Department (Aviation Department), the Aviation Department's capital improvement program (CIP) and to redeem any authorized bond anticipation notes or commercial paper notes issued for that purpose.

Scope

The scope of the transaction is countywide. The list of projects approved in the CIP is shown in Attachment A of this memorandum for your reference.

Fiscal Impact/Funding Source

The issuance of bonds authorized by this 2020 Authorization is contingent upon the Board's adoption of subsequent series resolutions which will tie such issuance to expenditures that were included in the CIP approved by the Board on June 3, 2019. The debt service of the bonds will be paid from the Net Revenues of the Aviation Department, as defined in the Trust Agreement.

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 compliance will be managed by Arlesa Wood, Director of Bond Administration Division of the Miami-Dade County Finance Department.

Social Equity Statement

The proposed ordinance will provide funds to pay for aviation projects that benefit all of the citizens of Miami-Dade County. Development at Miami International Airport (MIA) which is the County's number one economic engine, will benefit residents, local businesses as well as the traveling public, as the CIP will modernize terminals, grow cargo volumes and increase the number of domestic and international trade routes. The funding source for all CIP projects is proprietary funds, which do not impact the residents of Miami-Dade County.

Background

Airport properties, owned by the County and operated by the Aviation Department, are financed under the Trust Agreement. This ordinance seeks authorization to issue aviation revenue bonds in an amount not to exceed \$5.0 billion for improvements to the Port Authority Properties as defined in the Trust Agreement. The CIP program will fund five sub-programs that will be built through 2035.

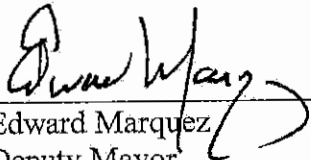
Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners
Page 2

Prior to initiating each bond transaction authorized by this ordinance, the Board will be presented with a Series Resolution authorizing the issuance of such bonds, describing the uses of the bond proceeds and financial terms of the transaction.

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 Board authorized the Department to use commercial paper to temporarily finance its capital improvements. In order to continue managing current CIP costs through the use of commercial paper, authorization of this ordinance is needed by July 2020.

Projects to be funded by debt issued under the 2020 Authorization are listed in Attachment A. The projects are consistent with the Aviation Department's CIP which was approved on June 3, 2019.

Attachment



Edward Marquez
Deputy Mayor

CIP On-going Projects-Balance to Complete:**\$ 984,437,000****CIP Proposed List of Projects 2020 - 2036****\$4,015,563,000**

MIA North Terminal Gate Optimization Phase 1
 MIA Concourse "D" West Expansion – D60
 MIA North Terminal Ramp Level Restrooms
 MIA Central Terminal Redevelopment Phase 1
 MIA Central Terminal Redevelopment Phase 2
 MIA New CC F Enabling Up-gauge and Down-gauge Project
 MIA New Concourse "F"
 MIA Concourse F New Apron Phase 1 and Phase 2
 MIA Concourse F Demo Phase 1- Headhouse Demo and New Hardstand Area
 MIA Concourse F Demo Phase 2 – CC F Pier Demo and New Apron Phase 3
 MIA Lower Concourse E FIS Renovations – Phase 2
 MIA Central Terminal Upper Drive Façade and Curbside
 MIA Concourse "G" Demolition
 MIA Concourse "E" and "F" Taxi Lane and Apron Rehabilitation
 MIA South Terminal Apron and Utilities Relocation Phase 1
 MIA South Terminal Expansion East (New Gates) Phase 1
 MIA South Terminal Apron Enabling – Demolition of Building 3050
 MIA South Terminal Centralized Checkpoint
 MIA Concourse "H" - Glazing, Curtain Wall Assessment and Corrective Action
 MIA Terminal Wide Re-roofing and Lightning Systems Upgrades
 MIA North and Central Terminal Passenger Loading Bridges Phase 2
 MIA Tenant Relocations
 MIA Vehicle Fueling and Car Wash Facility
 MIA Demolition Building 3039 and Fuel
 MIA Temporary South Terminal GSE Facility & 20th Street modification AOA
 MIA Demolition Building 703 and 703A
 MIA Demolition Building 703 Environmental Assessment and Remediation
 MIA Building 5A Tenant Relocation
 MIA Building 702 Apron & Airside Improvements
 MIA GSE Facility for North Terminal
 MIA Demolition Building 5A
 MIA Building 702 Expansion
 MIA Demolition Building 704
 MIA Consolidated Cargo Fumigation Facility
 MIA West Cargo Truck Parking
 Land Acquisition
 MIA Runway 9-27 Rehabilitation
 MIA Perimeter Road Bridge
 MIA NW 37th Avenue Improvements
 MIA New Hotels
 MIA Fuel Storage Facility Expansion (Tank No. 1)
 MIA Fuel Storage Facility Expansion (Building and Tank No.2)
 OPF Run Up Pad
 Miami Homestead General Aviation Security Upgrades
 TMB South Apron Expansion/New Taxi Lane
 TMB New Air Traffic Control Tower (ATCT)
 MIA Runway Incursion Mitigation (RIM) Hot Spot 5 (Corral area)
 OPF Runway 9-27 Rehabilitation

Total Authorization for CIP**\$5,000,000,000**



MEMORANDUM
(Revised)

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

DATE: July 8, 2020

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Agenda Item No. 5(G)

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. 5(G)
7-8-20

ORDINANCE NO. _____

ORDINANCE AUTHORIZING ISSUANCE OF NOT TO EXCEED \$5,000,000,000.00 AGGREGATE PRINCIPAL AMOUNT OF MIAMI-DADE COUNTY, FLORIDA, AVIATION REVENUE BONDS, IN ONE OR MORE SERIES, PURSUANT TO PROVISIONS OF AMENDED AND RESTATED TRUST AGREEMENT INCLUDING SECTION 210, DATED AS OF DECEMBER 15, 2002 FOR PURPOSE OF PAYING OR REIMBURSING AVIATION DEPARTMENT FOR COSTS OF CERTAIN CAPITAL IMPROVEMENTS TO COUNTY'S PORT AUTHORITY PROPERTIES; PROVIDING THAT TERMS, MATURITIES, INTEREST RATES AND OTHER DETAILS OF SAID BONDS BE DETERMINED IN ONE OR MORE SUBSEQUENT SERIES RESOLUTIONS; AND PROVIDING FOR SEVERABILITY AND EFFECTIVE DATE

WHEREAS, the Board of County Commissioners (the "Board") of Miami-Dade County, Florida (the "County"), previously authorized the issuance of \$6,200,000,000.00 in aviation revenue bonds pursuant to: (i) 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 (successor in interest to JPMorgan Chase Bank, N.A.), as trustee (the "Trustee"), and U.S. Bank National Association (successor in interest to Wachovia Bank, N.A.), as co-trustee (the "Co-Trustee"), which amended and restated the Trust Agreement dated as of October 1, 1954 with The Chase Manhattan Bank as predecessor-in-interest to the Trustee) and First Union National Bank of Miami (predecessor-in-interest to the Co-Trustee), as amended and supplemented ("Original Trust Indenture"), (ii) Ordinance No. 95-38 enacted by the Board on February 21, 1995 authorizing the issuance of up to \$1,200,000,000.00 in aviation revenue bonds (the "1995 Authorization"), (iii) Ordinance No. 96-31 enacted by the Board on February 6, 1996 authorizing the issuance of up to \$2,600,000,000.00 in additional aviation revenue bonds (the "1996 Authorization"), (iv)

Ordinance No. 97-207 enacted by the Board on November 4, 1997 authorizing the issuance of up to \$500,000,000.00 in additional aviation revenue bonds (the “1997 Authorization”) and (v) Ordinance No. 08-121 enacted by the Board on October 21, 2008 (the “2008 Authorization”, and collectively with the 1995 Authorization, the 1996 Authorization, and the 1997 Authorization, the “Authorizations”) authorizing the issuance of up to \$1,900,000,000.00, all to pay the costs of capital improvements to the Port Authority Properties in accordance with the Capital Improvement Program (“CIP”) and to redeem any bond anticipation notes (the “BANS”), including commercial paper, issued for such purpose from time-to-time pursuant to Ordinance No. 97-201 enacted by the Board on October 21, 1997, as amended (“1997 Ordinance”), and any subsequent authorizations; and

WHEREAS, on June 4, 2019, the Board accepted the new Capital Improvement Program proposed by Miami-Dade County’s Aviation Department (the “Aviation Department”) at a cost estimated between \$4,000,000,000.00 and \$5,000,000,000.00 (the “New CIP”); and

WHEREAS, the County has issued \$6,200,000,000.00 billion in revenue bonds pursuant to the Original Trust Indenture, the Trust Agreement, and the Authorizations (the “Outstanding Bonds”), leaving no unissued balance available for paying remaining costs of the CIP or the New CIP and to redeem any BANS that may be subsequently outstanding; and

WHEREAS, in order to provide funds to complete the CIP and to undertake the projects described in the New CIP, the Board desires to authorize, pursuant to Section 210 of the Trust Agreement, the issuance of additional revenue bonds (the “Bonds”) in an aggregate principal amount not to exceed \$5,000,000,000.00, in one or more series, payable from Net Revenues (as defined in the Trust Agreement) on a parity with the Outstanding Bonds; and

WHEREAS, the proceeds of the Bonds together with certain other moneys of the Aviation Department, shall be applied to pay all or a portion of, or reimburse the Department for the payment of, any cost (as defined in the Trust Agreement) of the CIP and the New CIP, to pay certain costs in connection with the issuance of the Bonds and to redeem any BANS, including commercial paper, that may be outstanding from time to time; and

WHEREAS, the Board desires to provide for the issuance and the details of each series of Bonds through a subsequent series resolution of the Board; 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 ordinance by reference,

BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. Incorporation of Recitals and Definitions. The matters set forth in the foregoing recitals to this ordinance are incorporated as part of this ordinance.

Section 2. Authorization to Issue Bonds. Bonds authorized to be issued under this ordinance are issued and the agreements authorized to be executed and secured under the provisions of this ordinance are entered into pursuant to the authority of the laws of the State of Florida, all other applicable laws and Sections 210 and 212A and other applicable provisions of the Trust Agreement, as amended from time-to-time.

There is authorized to be issued Bonds in an aggregate principal amount not to exceed \$5,000,000,000.00. Bonds may be issued at any one time, or from time-to-time, in one or more series, at the option of the County and when so issued shall constitute one or more separate Series under the Trust Agreement.

Section 3. Details, Term and other Matters Relating to the Bonds. Prior to the issuance of each Series of Bonds, the Board shall adopt a resolution (the “Series Resolution”) (i) authorizing the issuance of such Series in accordance with Section 210 of the Trust Indenture; (ii) setting out the principal amount and details, including their date, form, denominations and maturity which shall be no later than forty years from their date; (iii) providing for the use of the bond proceeds, including a brief description of the Improvements to be financed; (iv) providing that the Bonds shall bear interest from their date until redemption at either a fixed or variable interest rate, not exceeding the maximum rate permitted by law at the time of issuance of such Bonds; (v) providing for the capitalization of interest in accordance with Section 405 of the Trust Agreement; (vi) providing for the payment of all costs in accordance with Section 404 of the Trust Agreement; (vii) providing that such Series of Bonds may be payable or subject to purchase prior to their maturity at the option of the registered owners of such Series of Bonds, on such terms and conditions consistent with the provisions of the Trust Agreement; (viii) providing for credit enhancement and for additional security for such Series of Bonds to be provided by bond insurance, a letter of credit, a stand-by bond purchase agreement, a line of credit, a revolving credit agreement or any other credit or liquidity facility (“Liquidity Facility”) with a bank or other financial institution, the proceeds of which will be available for application to the payment of principal of and interest on such Bonds; and (ix) providing for the use of Hedge Agreements (as defined in the Trust Agreement) and Interest Swap Agreements (as defined in the Trust Agreement).

The Bonds of each Series shall comply in all respects with Section 210 and section 301 of the Trust Agreement. Such Bonds shall be designated:

“Miami-Dade County, Florida, Aviation Revenue Bonds, Series _____” (inserting a year or a year and a letter to identify the particular series).

In the event any of the Bonds of any Series shall be serial bonds, the maturities of such bonds shall be provided in the Series Resolution for the Series and shall be consistent with Section 210 of the Trust Agreement. In the event the Bonds of any Series shall consist of term bonds or both serial bonds and term bonds, the Amortization Requirements for such term bonds shall be provided in the Series Resolution for the Series and shall be consistent with Section 210 of the Trust Agreement.

The Bonds of each series 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 in accordance with the provisions of Section 210 of the Trust Agreement.

Section 4. Covenants of Trust Agreement. All of the material covenants of the Trust Agreement will be applicable to the Bonds. No default by the County shall have occurred and be continuing in the performance of any of its covenants and obligations under the Trust Agreement and all payments required have been made into the accounts and funds under the terms of the Trust Agreement shall have been made to the full extent required before any Bonds may be issued.

Section 5. Further Acts. The officers, agents and employees of the County and of the Trustee and the Co-Trustee are hereby authorized and directed to do all acts and things required of them by the provisions of the Bonds and the Trust Agreement for the full, punctual and complete performance of all the terms, covenants, provisions and agreements of the Bonds and the Trust Agreement, and also to do all acts and things required of them by the provisions of this ordinance.

Section 6. Severability. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 7. Headings Not Part of Ordinance. Any headings preceding the sections of this ordinance shall be solely for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect its meaning, construct or effect.

Section 8. Effective Date. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as
to form and legal sufficiency:





Prepared by:

Juliette R. Antoine