Memorandum

MIAMI-DADE COUNTY

Amended
Agenda Item No. 5(E)

Date: December 18, 2012

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

From: Carlos A. Gimenez
County Mayor

Subject: Ordinance Approving Issuance and Terms of Revolving Line of Credit on behalf of Public Health Trust in an Amount not to Exceed $75,000,000 from Wells Fargo Bank, N.A. and Approving related Memorandum of Understanding

Ordinance No. 12-110

Recommendation

It is recommended that the Board of County Commissioners (Board) enact the accompanying ordinance authorizing the issuance of a Revolving Line of Credit (Credit Facility) from Wells Fargo Bank, N.A. (Bank) on behalf of the Public Health Trust (PHT) in an amount not to exceed $75,000,000, approving the terms of the Credit Facility and approving related Memorandum of Understanding with PHT.

Scope

The establishment of the Credit Facility has a countywide impact.

Fiscal Impact/Funding Source

PHT shall make the payments for all draws and costs of the Credit Facility from its' net operating revenues. The County shall guarantee PHT's commitment to make all payments with a County covenant to the Bank to budget and appropriate annually sufficient legally available non-ad valorem revenues of the County. Pursuant to the MOU, the County shall have the right to deduct any payment made on the Credit Facility by the County from PHT's One Half Cent Healthcare Sales Surtax or the annual Maintenance of Effort. Therefore, the County will not be incurring any additional costs.

Track Record/Monitoring

PHT shall seek approval for each draw made under the Credit Facility from the County. PHT shall seek approval from Deputy Mayor/Finance Director Edward Marquez.

Background

The proposed Credit Facility was presented to Miami-Dade County (County) as an unsolicited proposal by the Bank at the request and on behalf of PHT. The purpose is to provide PHT, through the County, sufficient working capital during the fiscal year to mitigate cash flow impacts resulting from the requirement to fund large intergovernmental transfers to the State of Florida each month and quarter in advance of receiving Medicaid Low Income Pool and Medicaid Disproportionate Share Hospital payments from the State.

At its meeting of October 29, 2012, PHT's Financial Recovery Board approved Resolution No. PHT 10/12-074 requesting that the Board authorize and approve the establishment of a line of credit not to exceed $75 million with the Bank for the benefit of PHT. While PHT has seen significant improvement in its monthly and annual financial performance, not unlike many large institutions, it must still manage difficult monthly cash flow constraints as described above. This Credit Facility will enable PHT to better manage its monthly and quarterly payables and receivables.

A term sheet which has been negotiated between the County and the Bank is attached to the Ordinance as Exhibit A and subject to Board approval. Pursuant to this term sheet, the Credit Facility would bear interest at the Variable Interest Rate, mature 364 days from its effective date and be secured by the County's covenant to annually budget and appropriate sufficient legally available non-ad valorem revenues of the County to pay the debt service on the Credit Facility and related costs.

The terms of the Credit Facility also require that all principal and accrued interest in excess of $100 shall be payable in quarterly payments until the maturity date when all principal outstanding and accrued interest shall become due and payable. In addition, commencing upon the expiration of the first quarter that the Credit Facility is in effect and for each subsequent quarter until maturity, PHT will be unable to draw upon the Credit Facility for the first five days. PHT shall also pay all draws, interest on and costs of the Credit Facility on August 1, 2013. The interest on the principal amount outstanding shall be calculated at a rate equal to 70 percent of the One Month London Inter-bank Offered Rate (LIBOR) plus 90 basis points. For example, if the One Month LIBOR is 1.00 percent, the interest rate on the Facility would be 0.70 percent plus 0.90 percent or 1.60 percent (Variable Interest Rate). There shall also be an unutilized fee on the principal amount of the Credit Facility not outstanding in the amount of ten basis points or 0.10 percent. This unutilized fee shall not be charged during the five days of each quarter when PHT cannot request a draw and the outstanding principal does not exceed $100. The exact amount of interest paid during the term of the Credit Facility cannot be known in advance because the interest rate is variable and the amount of principal outstanding will be dependent on the frequency of the draws made by PHT and the frequency of their repayment during the year.

Because the County is securing the Credit Facility with its own credit to on behalf of PHT, it is necessary that the County and PHT enter into the MOU providing for PHT's repayment obligation to the County. The MOU is attached to the Ordinance as Exhibit B. The MOU provides that:

- PHT shall borrow and repay the Facility under the terms negotiated by the County with the Bank;
- Subject to PHT being current on all principal and interest payments, all draw requests by PHT on the Credit Facility shall require the approval of the Finance Director and the Deputy Mayor assigned to PHT;
- In addition to the monthly repayment requirements, the County shall require of PHT that all outstanding principal and interest be repaid in full no later than August 1, 2013;
- If at any time PHT fails to make payments of principal and interest when due, the County has the right to withhold such amounts due from the One Half Cent Healthcare Sales Surtax or the annual Maintenance of Effort and not to permit any further draws; and,
- The term of the MOU shall commence with the effective date of the Board approval of the Ordinance.

The Ordinance provides that:

- The established of the Credit Facility in an amount not to exceed $75 million for the purposes outlined herein including costs of issuance;
- The Credit Facility to be secured in the manner described herein;
- The Credit Facility shall bear a variable rate of interest as described herein and in Exhibit A;
- There are no ad valorem taxes, now or in the future, obligated for repayment under the Ordinance or in the terms of Exhibit A;
- The County may terminate the Credit Facility at any time without penalty; and,
- The County Mayor or the County Mayor's designee is authorized to finalize the terms and conditions of any documents required under the ordinance, within certain limitations and parameters, outlined in Exhibit A.

Resolution R-130-06 provides that any County contract with a third party be finalized and executed prior to its placement on the committee agenda. The Credit Facility and the MOU with PHT, which will set the final terms, in order to provide the County the maximum flexibility in the negotiating with the Bank, will not occur until after the effective date of this Ordinance. Therefore, a waiver of Resolution R-130-06 is necessary.

Attachments

Edward Marquez
Deputy Mayor

MEMORANDUM

(Revised)

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

DATE: December 18, 2012

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

SUBJECT: Amended Agenda Item No. 5(E)

Please note any items checked.

______	**"3-Day Rule" for committees applicable if raised**
______	**6 weeks required between first reading and public hearing**
______	**4 weeks notification to municipal officials required prior to public hearing**
______	**Decreases revenues or increases expenditures without balancing budget**
______	**Budget required**
______	**Statement of fiscal impact required**
______	**Ordinance creating a new board requires detailed County Mayor's report for public hearing**
√	**No committee review**
______	**Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**
______	**Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _______________ Mayor

Veto _______

Override _______

Amended
Agenda Item No. 5(E)
12-18-12

ORDINANCE NO. 12-110

ORDINANCE APPROVING REVOLVING LINE OF CREDIT IN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $75,000,000 FROM WELLS FARGO BANK, N.A. TO COUNTY FOR PURPOSES OF PROVIDING FUNDS TO PUBLIC HEALTH TRUST AND PAYING COSTS OF ISSUANCE; PROVIDING THAT SUCH LINE OF CREDIT BE SECURED BY COUNTY COVENANT TO ANNUALLY BUDGET AND APPROPRIATE FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE COUNTY SUFFICIENT FUNDS TO PAY DEBT SERVICE ON LINE OF CREDIT; APPROVING TERMS OF RELATED COMMITMENT LETTER; APPROVING FORM AND EXECUTION OF MEMORANDUM OF UNDERSTANDING BETWEEN COUNTY AND PUBLIC HEALTH TRUST REGARDING PAYMENT OF LINE OF CREDIT FROM CERTAIN TRUST REVENUES; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE AND ALL OTHER COUNTY OFFICIALS TO TAKE ALL ACTION TO SECURE LINE OF CREDIT INCLUDING ENTERING INTO RELATED AGREEMENTS AND DOCUMENTS WITH TERMS CONSISTENT WITH THOSE SET FORTH IN THE COMMITMENT LETTER; AND PROVIDING SEVERABILITY AND EFFECTIVE DATE

WHEREAS, the operation of the Jackson Health System has certain monthly cash flow shortfalls ("Shortfalls") caused by a delay in the receipt of revenues from the State of Florida ("State") for certain eligible reimbursements as more fully described in the County Mayor's memorandum ("County Mayor's Memorandum") attached to and incorporated in this Ordinance by reference; and

WHEREAS, the Public Health Trust ("Trust") solicited a proposal for a line of credit from Wells Fargo Bank N.A. ("Wells Fargo") to fund the Shortfalls on a short term basis; and

WHEREAS, Wells Fargo is willing to provide a short term revolving line of credit ('Line of Credit") to the County on behalf of the Trust secured by a County covenant to annually budget and appropriate from all legally available non-ad valorem revenues of the

County sufficient funds to pay the outstanding principal and interest on the Line of Credit and any fees and costs of the Line of Credit ('Debt Service"); and

WHEREAS, it is the desire of this Board to assist the Trust by entering into the Line of Credit on the condition that the Trust enter into a Memorandum of Understanding with the County ("MOU") which provides, among other provisions, that the Debt Service shall be paid from certain Trust Revenues (as defined in the MOU) and the County shall approve all requests by the Trust to draw funds under the Line of Credit; and

WHEREAS, this Board wishes to approve the terms of a commitment letter for the Line of Credit between the County and Wells Fargo ("Commitment"); and

WHEREAS, the Board wishes to authorize the County Mayor or County Mayor's designee and any other County official to enter into any related agreements and certificates and to do all things that may be necessary to effectuate the Line of Credit, provided the terms of such agreements and certificates are consistent with the terms of the Commitment,

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

Section 1. This Ordinance is enacted pursuant to the Constitution of the State of Florida, the Home Rule Amendment and Charter of Miami-Dade County, Florida, as amended, and other applicable provisions of law, including Chapters 125, 163 and 166, Florida Statutes.

Section 2. The Line of Credit is authorized in an aggregate principal amount not to exceed $75,000,000 for the purpose of providing funds to the Trust so it can pay (i) any monthly Shortfalls; and (ii) any costs of issuance related to the Line of Credit.

Section 3. The Line of Credit shall be secured in the manner described in the Commitment which is approved in substantially the form attached as Exhibit "A" to this Ordinance. Security for the Line of Credit is a County covenant to appropriate in its annual budget, including by amendment, if required, sufficient amounts of legally available non-ad valorem revenues of the County to pay the Debt Service on the Line of Credit. The phrase "all legally available non-ad valorem revenues" in the previous sentence means for purposes of this Ordinance, all revenues of the County derived from any source whatsoever, other than ad valorem taxation on real and personal property, and are legally available to pay the Debt Service, but only after provision has been made by the County for payment of obligations having an express lien on or pledge of any of the revenues that make up the non-ad valorem revenues and services and programs which are for essential governmental services or which are legally mandated by applicable law.

Section 4. The Line of Credit shall bear interest at the variable rate calculated in accordance with the Commitment and shall terminate three hundred and sixty four (364) days after the closing date.

Section 5. Nothing in this Ordinance or in the Commitment shall be construed to obligate the County to levy and collect any ad valorem taxes for the payment of its obligations under the Commitment or any related agreements. The obligations of the County under the Commitment or any related agreements do not constitute a general indebtedness of the County within the meaning of any constitutional or statutory provision or limitation and no person may compel the County to levy ad valorem taxes for the payment of its obligations pursuant to the Commitment or any related agreements.

Section 6. The MOU with the Trust in which the Trust agrees to reimburse the County for the Debt Service from Trust Revenues is approved in substantially the form attached as "Exhibit B" to this Ordinance.

Section 7. The County Mayor, County Mayor's designee, the Finance Director, Clerk or any other appropriate officers of the County are authorized and directed to execute any and all agreements and certificates or other instruments or documents required by this Ordinance and/or the Commitment after consultation with the County Attorney's office provided the terms of such agreements and certificates are consistent with the Commitment approved by this Board.

Section 8. If any one or more of the covenants, agreements or provisions contained in this Ordinance shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions of this Ordinance.

Section 9. 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.

Section 10. The provisions of Resolution No. R-130-06 requiring that any contracts of the County with third parties be executed and finalized prior to their placement on the committee agenda are waived at the request of the County Mayor for the reasons set forth in the County Mayor's Memorandum.

PASSED AND ADOPTED: December 18, 2012

Approved by County Attorney as to form and legal sufficiency: APW

Prepared by: JRA
Gerald T. Heffernan

Exhibit A

WELLS FARGO

November 15, 2012

Mr. Frank Hinton
Director of Bond Administration
Miami Dade County - Finance Department
111 NW 1st Street, Suite 2550,
Miami, Florida 33128-1929

The following commitment letter replaces the previously issued letter dated October 30, 2012.

Dear Mr. Hinton:

Wells Fargo Bank, National Association (the "Bank") is pleased to submit the Commitment described below to Miami Dade County, Florida (the "County") with the following terms and conditions:

Borrower:	Miami Dade County, Florida (the "County")
Amount:	Not to exceed $75,000,000
Facility/Term	Revolving Line of Credit (the "Facility"). Bank's commitment to lend shall terminate 364 days from closing. The Facility shall be repayable in quarterly payments of accrued interest only until the maturity date when all remaining principal and interest shall be due. Interest shall accrue based on a 30 day month a 360 day year basis.
Draws:	Borrower may borrow, repay and re-borrow principal under the Facility provided no event of default pursuant to the related loan documents has occurred. The outstanding principal balance in excess of $100.00 will be repaid quarterly for a period of 5 days. No Unused Fee will apply during this period.
Purpose:	Provide funds to the County which will be lent to the Public Health Trust (PHT) to cover cash flow shortfalls in anticipation of reimbursements from the State.
Security:	The Facility will be secured by a Covenant to Budget and Appropriate from all Legally Available Non-Ad Valorem Revenues

of Miami-Dade County.

Interest Rate: Non Bank Qualified Variable Rate: 70% of One month LIBOR plus 90 Basis points.

The above rate assumes that the borrowing is tax-exempt. The County must provide a legal opinion to this effect.

LIBOR is that rate as shown on the Telerate System, page 3750. The Initial Rate will be based on LIBOR two business days prior to the draw. LIBOR will be reset monthly on the first day of the month based on LIBOR two business day prior to the first day of the month.

Unused Fee: 10 Basis Points payable quarterly in arrears on the unused portion of the Facility.

Prepayment: The County may prepay the Facility at any time without penalty.

Conditions

1. The County, by official action, shall approve entering into this commitment and the Facility described herein.

2. The interest rate on the Facility shall be subject to adjustment as set forth below. If i) a "Determination of Taxability" (as defined below) shall occur or ii) state or federal tax laws or regulations are amended to cause the interest on the Facility to be taxable, to be subject to a minimum tax or an alternative minimum tax or to otherwise decrease the after tax yield on the Facility to the Bank (directly or indirectly, in whole or in part), then the interest on the Facility shall be adjusted to cause the yield on the Facility, after payment of any increase in tax, to equal what the yield on the Facility would have been in the absence of such Determination of Taxability or change or amendment in tax laws or regulations.

For purposes hereof, "Determination of Taxability" means the circumstance of the interest on the Facility becoming includable for federal income tax purposes in the gross income of the Bank, regardless of whether caused by or within the control of the County. A Determination of Taxability will be deemed to have occurred upon (i) the receipt by the County or the Bank of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency; (ii) the issuance of any public or private ruling of the Internal Revenue Service; or (iii) receipt by the County or Bank of an opinion of counsel experienced in tax matters relating to municipal bonds, in each case to the effect that the interest on the Facility is not excluded from in the gross income of the Bank for federal income tax purposes.

The above adjustments shall be cumulative, but in no event shall the interest on the Facility exceed the maximum permitted by law. The above adjustments to the interest rate on the Facility shall be effective for all periods during which tax treatment of the interest on the Facility by the Bank is the affected. Proper partial adjustment shall be made if the tax law change is effective after the first day of the Bank's tax year or if the interest on the Facility does not accrue for the entire tax year of the Bank. Adjustments which create a circular calculation because the interest on the Facility is affected by the calculation shall be carried out sequentially, increasing the interest on the Facility accordingly in each successive calculation using as the new value the increase in the interest rate on the Facility, until the change on the interest rate on the Facility caused by the next successive calculation of the adjustment is de minimus.

3. All legally available Non-Ad Valorem Revenues shall mean all revenues of the County derived from any source whatsoever, other than Ad Valorem taxation on real and personal property, and are legally available to make the loan repayments required under this proposal, but only after provision has been made by the County for payment of obligation having an express lien on or pledge of any of the revenues that make up the Non-Ad Valorem Revenues and services and programs which are for essential governmental service or which are legally mandated by applicable law. So long as there are legally available Non-Ad Valorem Revenues, the County may not fail to budget and appropriate debt service in order to balance its budget. The foregoing covenant to budget and appropriate shall be deemed to require appropriation, in the manner set forth above, of Non-Ad Valorem Revenues ratably to pay the obligations hereunder and all other Additional Covenant Debt. The County will not enter into any covenant to budget and appropriate from Non-Ad Valorem revenues which is in any manner prior or senior to its obligations hereunder. Additional Covenant Debt shall mean indebtedness of the County heretofore or hereafter issued which contains a covenant by the County to budget and appropriate from Non-Ad Valorem Revenues amount sufficient to pay the principal, interest and premium, if any, on such debt as same becomes due and payable, all in a form similar to the covenant described herein.

4. For each fiscal year during the term of the loan, and prior to the incurrence of Additional debt secured by a Covenant to Budget and Appropriate from all Legally Available Non-Ad Valorem Revenues, the average of the prior two years Legally Available Non Ad Valorem Revenues as defined above, must cover existing and projected maximum annual debt service on debt secured by and/or payable from such Revenues by at least 2x, For purposes of calculating maximum annual debt service, the subject Facility and the Port Tunnel Letter of credit will be assumed to be fully funded, shall be assumed to bear interest at 12% per annum and be assumed to be amortized over a 10 year amortization period. Moreover, variable rate debt will be assumed to bear interest at 12%.

5. The documents necessary for qualifying the Facility as a tax exempt obligation (the Tax Exempt Documents") shall be prepared by Hogan Lovells US LLP (the Bond Counsel"). The Bank will receive a standard opinion of Bond Counsel as to the due authorization and enforceability of such Tax Exempt Documents and as to tax-exemption under state and federal law, and an opinion of the County's attorney as to litigation and other matters. The Tax Exempt Documents and such opinions shall be in form and content acceptable to the Bank. The Tax Exempt Documents shall be available for review at least 5 business days prior to closing. The Bank will retain

counsel to prepare the Bank's loan documents and to review the Tax Exempt Documents on behalf of the Bank. Bank counsel fees to prepare the loan documents and to review the Tax Exempt Documents are $12,500.00. All costs relating to the preparation of documents and to otherwise complete this transaction, including the Bank Counsel fee, will be paid by the County (whether or not the transaction closes).

6. On an ongoing basis, the County agrees that it shall deliver to the Bank printed copies of, its Comprehensive Annual Financial Report (CAFR) within 270 days of each fiscal year end, a Current Year Operating Budget and Capital Improvement Plan within 60 days of its Fiscal Year End and any other such information as reasonably requested by Bank. Additionally, at the time of submission of the CAFR, the County shall provide an Anti-Dilution Certificate, (Exhibit A attached), certifying that it is in compliance with the required ratio as set forth in condition (4) above. **Prior to closing the attached Exhibit A must be signed** and returned to the Bank.

7. This Commitment shall remain in full force and effect through 3:00 p.m., local time, November 15, 2012, at which time, if not accepted by execution of the acceptance clause below and mailed to the Bank at its 200 S. Biscayne Blvd., Miami, Florida 33131, office to my attention, this Commitment shall expire and shall not be enforceable by either the Bank or the County unless extended by the Bank in writing. Unless extended by the Bank in writing, this Facility must close on or prior to December 31, 2012 after which this commitment shall expire.

8. If the Bank chooses to waive any covenant, paragraph, or provision of this Commitment, or if any covenant, paragraph, or provision of this Commitment is construed by a court of competent jurisdiction to be invalid, it shall not affect the applicability, validity or enforceability of the remaining covenants, paragraphs or provisions.

9. The preceding terms and conditions are not exhaustive. Any final documents will include other covenants, terms and closing conditions as are customarily required by the Bank for similar transactions including but not limited to Events of Default as enumerated in the Reimbursement Agreement between Mimi-Dade County and the Bank dated September 25, 2009, Default Rate of the higher of the Note Rate + 3% or Prime + 3%, Events of Default, Acceleration upon Default (immediate for payment default, bankruptcy, insolvency; 30 day grace period for other Events of Default) and waiver of jury trial, most favored nation provision, such that more restrictive covenants, ratios and tests, and greater remedies under the Obligor's other like secured debt instruments, (secured by a Covenant to Budget and Appropriate Non Ad Valorem Revenues, any debt of the County) shall be automatically deemed incorporated, mutatis mutandis, into the loan documents, and prohibitions on the use of bond proceeds for leveraged or margined investments and on speculative derivative transactions, in each case without the prior written consent of the Bank. Increased cost and capital adequacy provisions shall apply. To the extent permitted by law the loan documents will include customary interest rate recapture ("clawback") language allowing the Bank to recover interest in excess of any maximum interest rate imposed by law. This Commitment Letter shall not survive closing.

10. The County represents and agrees that all information provided to the Bank is correct and complete with respect to this transaction. No material adverse change may occur in the business condition, operations, or performance of the County nor may any adverse circumstance be discovered as to, the financial condition of the County prior to closing. The Bank's obligations under this Commitment are conditioned on the fulfillment to the Bank's sole satisfaction of each term and condition referenced by this Commitment. No change may occur in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the Bank's sole discretion;

11. This Commitment supersedes all prior Commitments and proposals with respect to this transaction, whether written or oral, including any previous loan proposals made by the Bank or anyone acting within its authorization. No modification shall be valid unless in writing and signed by an authorized Officer of the Bank and accepted in writing by the County. This Commitment is not assignable and no entity other than the County shall be entitled to rely on this Commitment.

12. The Bank will make the loan for its own account and not with the intent to distribute the loan or interests therein. However, the Bank may in the future enter into participation agreements or securitization transactions with respect to the loan. Transfers will be limited to commercial banks with at least $5Billion in capital. If requested, the Bank will deliver an appropriate investor letter at closing provided that upon any such transfer the Bank shall remain the exclusive party in which the County shall engage with in connection with any obligations of the County under the Facility.

Wells Fargo Bank, National Association appreciates the opportunity to submit this Commitment to you and looks forward to your favorable response. Should you have any questions, please do not hesitate to contact me at 305-789-4824.

Best Regards,
WELLS FARGO BANK, NATIONAL ASSOCIATION

Lance Aylsworth
Vice President
Government Banking

ACCEPTANCE

The above Commitment is hereby accepted on the terms and conditions outlined above subject to its approval by its Board of County Commissioners of the County.

Closing Date: 12/31/12

By: ______________ Date: 11/14/12

Its: Deputy Mayor/Finance Director

5

Exhibit B

MEMORANDUM OF UNDERSTANDING

BETWEEN

MIAMI-DADE COUNTY, FLORIDA

AND

PUBLIC HEALTH TRUST OF MIAMI-DADE COUNTY, FLORIDA

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made this __ day of ___________, 2012 by and between Miami-Dade County, Florida (the "County") and the Public Health Trust of the County (the "Trust") for the purpose of setting forth certain terms and conditions regarding the use of that certain $75,000,000 line of credit between the County and Wells Fargo Bank, National Association (the "Bank").

The County enacted Ordinance No. _______________ (the "LOC Ordinance") authorizing a $75,000,000 line of credit (the "Line of Credit") to be made available to the County by the Bank. The County has agreed to allow the Trust to draw on the Line of Credit to (a) cover cash flow shortfalls in anticipation of reimbursements from the State of Florida (the "State"), (b) pay any cost of issuance, finance charges, late charges, collection costs, or other amounts due under the Line of Credit ("Costs") and (c) pay other short term working capital needs.

The Line of Credit is secured by a County covenant to annually budget and appropriate from all legally available non-ad valorem revenues of the County ("County Covenant") sufficient funds to pay the outstanding principal and interest ("P&I") and Costs on the Line of Credit. In exchange for the County Covenant, the County and the Trust agree as follows:

1. The Trust is allowed to borrow, pay and re-borrow the principal under the terms of the Line of Credit set forth in Exhibit "A" to this MOU and any related loan documents, provided the Trust is current in the payment of P&I and Costs and no event of default has occurred under this MOU and the related loan documents.

2. All draw requests by the Trust shall be presented first to the County and approved by both the Finance Director and the Deputy Mayor in charge of matters related to the Trust before the Trust shall present such draw requests to the Bank. No draw request shall be submitted during the first 5 days of each quarter commencing in the first quarter after the first draw.

3. On the last business day of each month and on August 1, 2013, the Trust shall pay all outstanding P&I and Costs. From August 1, 2013 until October 1, 2013, no P&I and Costs shall be outstanding and the Trust shall not request any additional draws. Any outstanding P&I and Costs drawn after September 30, 2013 shall be paid no later than15 days prior to the expiration of the Line of Credit which is December 15, 2013.

4. If at any time the Trust fails to pay the P&I and Costs when due, the County has the right (i) to pay such P&I and Costs from the (a) one-half cent (.05%) discretionary sales surtax imposed pursuant to Chapter 212, Florida Statutes (the "Healthcare Surtax") collected by the County before it is remitted to the Trust and/or (b) County funds and such amount shall be deducted from the County funds to be remitted to the Trust pursuant to the maintenance-of-effort requirement imposed pursuant to Chapter 212, Florida Statutes (the "MOE"); and (ii) not to approve any additional draw requests.

5. The term of this MOU shall commence upon the effective date of its approval by the Board of County Commissioners of the County and the Trust's Board and shall continue until all obligations of the Trust have been fulfilled. The County may terminate the Line of Credit at any time. If the County terminates the Line of Credit, P&I and Costs shall be immediate due and payable.

6. This MOU shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the Trust and the County have executed this Agreement as of the day and year first set forth above by their duly authorized representatives.

Public Health Trust of Miami-Dade County

____
Name:
Title: Chairman

Miami-Dade County, Florida

____
Name: Edward M. Marquez
Title: Deputy Mayor/Finance Director

Approved as to form and legal sufficiency by:

____
County Attorney