

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

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Meeting Date: Dec. 5, 2006	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Public Hearing

Department: Office of Financial Management & Budget

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt a Resolution authorizing the issuance of aggregate principal amount of not to exceed \$11 Million Public Improvement Revenue Notes (Biomedical Research Park Infrastructure Project), Series 2006; covenanting to budget and appropriate non-ad valorem revenues to secure payment thereof; providing for a negotiated sale of such notes; awarding the sale thereof to the purchaser; providing certain other matters in connection therewith; and providing an effective date.

Summary: On December 7, 2004, the Board adopted a Resolution authorizing the issuance of \$11 Million Public Improvement Revenue Notes (Biomedical Research Park Infrastructure Project), Series 2004. Bank of America won the bid for the Notes which mature on December 15, 2006. The Notes are to be paid off when the County issues the additional funding for the Scripps Facilities at Florida International University. The County expects to issue the bonds for the additional funding requirement in fall of calendar year 2007. The above Resolution extends the maturity of the Notes including the interest thereon until December 1, 2007. **Countywide** (PFK)

Background and Justification: The County requested firm bids to provide two variable rate, tax-exempt notes totaling \$9,039,049 and a \$1,960,951 variable rate, taxable bank note to fund design, engineering and preliminary construction costs for infrastructure improvements related to the Scripps project.

Attachments:

1. Resolution (ON FILE IN OFMB)

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Recommended by:	<u><i>Reynaud Robert</i></u>	<u>11/29/06</u>
	Department Director	Date

Approved By:	<u><i>[Signature]</i></u>	<u>11/30/06</u>
	County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	_____	_____	_____	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

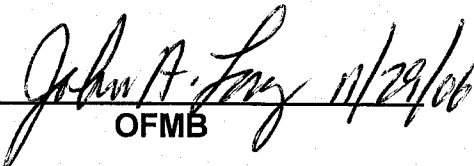

Is Item Included In Current Budget? Yes _____ No _____
 Budget Account No.: Fund _____ Department _____ Unit _____
 Object _____ Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: _____

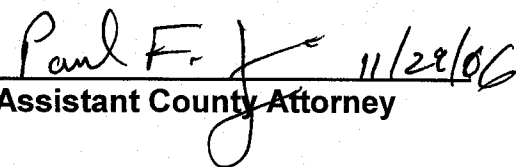
III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

 OFMB Contract Dev. and Control

B. Legal Sufficiency:



 Assistant County Attorney

C. Other Department Review:

 Department Director

BMO Draft #1
11/16/06

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$11,000,000 PALM BEACH COUNTY, FLORIDA PUBLIC IMPROVEMENT REVENUE NOTE (BIOMEDICAL RESEARCH PARK INFRASTRUCTURE PROJECT), SERIES 2006; COVENANTING TO BUDGET AND APPROPRIATE NON-AD VALOREM REVENUES TO SECURE PAYMENT THEREOF; PROVIDING FOR A NEGOTIATED SALE OF SUCH NOTES; AWARDING THE SALE THEREOF TO THE PURCHASER; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, as follows:

SECTION 1. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Constitution of Florida, the Charter of Palm Beach County, Florida, as amended, Chapter 125, Florida Statutes, and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms defined this Section 2 shall have the meanings specified in this section. Words importing singular number shall include plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"BOND COUNSEL" shall mean Bryant Miller Olive P.A.

"CLERK" shall mean the Clerk of the Circuit Court.

"FISCAL YEAR" shall mean the period commencing on October 1 of each year and ending on the succeeding September 30.

"HOLDER" shall mean the registered owner of any Notes, which Holder shall initially be the Purchaser.

"ISSUER" shall mean the Board of County Commissioners of Palm Beach County, Florida.

"MAXIMUM NOTE SERVICE REQUIREMENT" shall mean, as of any particular date of calculation, the greatest amount of the Note Service Requirement for the then current or any future Note Year.

"NON-AD VALOREM REVENUES" shall mean all legally available non-ad valorem revenues or taxes of the Issuer, but shall not include any ad valorem taxes.

"NOTE SERVICE REQUIREMENT" shall mean for a given Note Year the remainder after subtracting any accrued and funded interest for that year that has been deposited into the Debt Service Fund for that purpose of the sum of:

(i) The amount required to pay the interest coming due on the Notes during that Note Year;
and

(ii) The amount required to pay the principal in that Note Year.

"NOTE YEAR" shall mean the twelve (12) month period that ends at the close of business on December 1st of each year.

"ORIGINAL PURCHASER" shall mean Bank of America, N.A., West Palm Beach, Florida, the initial purchaser of the Notes.

"OUTSTANDING" or "NOTES OUTSTANDING" shall mean any Note which has been issued pursuant to this Resolution, except:

(i) Notes canceled after purchase in the open market or because of payment at maturity or redemption prior to maturity.

(ii) Notes for the payment or redemption of which cash funds or Federal Securities or any combination thereof shall have been theretofore irrevocably set aside in a special account with an escrow agent (whether upon or prior to the maturity or redemption date of any such Notes) in an amount which, together with earnings on such Federal Securities, will be sufficient to pay the principal of and any interest on such Notes at maturity or upon their earlier redemption; provided that, if such Notes are to be redeemed before the maturity thereof, notice of such redemption shall have been given according to the requirements of this Resolution or irrevocable instructions directing the timely publication of such notice and directing the payment of the principal of and interest on all such Note at such redemption dates shall have been given to the escrow agent; and

(iii) Notes which are deemed paid pursuant to this Resolution or in lieu of which other Notes have been issued under this Resolution.

"PAYING AGENT" shall mean initially, the Clerk, and shall include any other officer of the Issuer or any bank or other financial institution with trust powers designated by resolution of the Issuer to act as such.

"PLEDGED REVENUES" shall mean those Non-Ad Valorem Revenues budgeted and appropriated by the Issuer in each Fiscal Year in accordance with Section 9 hereof, and all revenues, together with interest earnings thereon, held in the funds and accounts created pursuant to Section 10 of this Resolution.

"REFUNDED NOTES" shall mean collectively, the Issuer's Public Improvement Revenue Note (Biomedical Research Park Infrastructure Project), Series 2004A1 (the "Series 2004A1 Note"), Public Improvement Revenue Note (Biomedical Research Park Project), Series 2004B1 (the "Series 2004B1 Note") and Taxable Public Improvement Revenue Note (Biomedical Research Park Project), Series 2004B2 (the "Series 2004B2 Note").

"REGISTRAR" shall mean, initially, the Clerk, and shall include any other officer of the Issuer or any bank or other financial institution with trust powers designated by resolution of the Issuer to act as such.

"RESOLUTION" shall mean this Resolution.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

(A) It is necessary and in the best interest and welfare of the citizens of the Palm Beach County, Florida (the "Issuer") to issue the Notes, as defined below, in the aggregate principal amount of \$11,000,000 for the purpose of refunding certain outstanding obligations, the proceeds of which were used for financing certain design, engineering and preliminary construction costs of infrastructure improvements to certain lands owned by the Issuer and other costs, including legal fees (the "Project").

(B) The estimated Pledged Revenues will be sufficient to pay the principal of and interest on the Notes, as the same become due, and to make all required deposits to the Debt Service Fund, or other payments required by this Resolution.

(D) The principal of and interest on the Notes and all other payments hereunder shall be payable from the Pledged Revenues, as provided in this Resolution. The Issuer shall never be required to levy ad valorem taxes on any property therein to pay the principal of and interest on the Notes or to make any of the other payments and such Notes shall not constitute a lien upon any real or tangible personal property of or in the Issuer.

(E) Due to the unique nature of the financing, the willingness of the Holder to accept these Notes as payment for the financing hereunder and the willingness of the Holder to accept these Notes at interest rates favorable to the Issuer, it is hereby determined that it is in the best interest of the public and the Issuer to sell the Notes at a negotiated and private sale.

SECTION 4. THIS RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Notes by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holder.

SECTION 5. AUTHORIZATION OF NOTES. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as "Palm Beach County, Florida Public Improvement Revenue Note (Biomedical Research Park Infrastructure Project), Series 2006A" (the "Series 2006A Note"), and the "Palm Beach County, Florida Taxable Public Improvement Revenue Note (Biomedical Research Park Infrastructure Project), Series 2006B" (the "Series 2006B Note") are authorized to be issued in the aggregate principal amount of \$9,034,049 and \$1,960,951, respectively, to fund the Project. The Series 2006A Note and the Series 2006B Note are hereby collectively referred to as the "Notes".

SECTION 6. DESCRIPTION OF NOTE; SALE OF NOTE. The Notes shall be issued in fully registered form, in the form set forth on Exhibit A attached hereto with such changes, insertions and omissions as shall be approved by the officers of the Issuer executing the same, with execution thereof being conclusive evidence of such approval; shall be dated; shall be numbered; shall be in a single denomination of the principal amount thereof; shall bear interest at such rate or rates to be payable in accordance with the form of the Notes set forth on Exhibit A.

The principal of and the interest, on the Notes shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts.

Notwithstanding the foregoing, for so long as the Notes are owned by the Original Purchaser, the principal of, redemption price and interest on the Notes shall be payable to the Original Purchaser at such address as is provided by the Original Purchaser in writing to the Issuer without presentation of the Notes (except with respect to the final payment of principal).

The negotiated and private sale of the Notes to the Original Purchaser is hereby approved. The Original Purchaser has provided to the Issuer all information required by Section 218.385, Florida Statutes, a copy of which is attached hereto as Exhibit C.

SECTION 7. PROVISIONS FOR REDEMPTION. The Notes shall be subject to redemption in whole or in part on any date prior to their maturity, at the option of the Issuer, at a redemption price equal to the principal amount thereof, without premium, and with interest accrued until the date of such redemption.

Notice of redemption shall be provided by the Issuer to the Holder of the Notes not less than 20 and not more than 30 days prior to the date of such redemption.

SECTION 8. APPLICATION OF NOTE PROCEEDS. The proceeds, including accrued

interest thereon, if any, received from the sale of the Notes shall be applied by the Issuer simultaneously with the delivery of such Notes to the Original Purchaser thereof, as follows:

(1) The accrued interest, if any, shall be deposited in the Debt Service Fund herein created and shall be used only for the purpose of paying interest becoming due on the Notes.

(2) To the extent not reimbursed therefor by the Original Purchaser of the Notes, the Issuer shall pay all costs and expenses in connection with the issuance and sale of the Notes.

(3) The balance of funds, if any, shall be paid to Bank of America, N.A., as the owner of the Refunded Notes. The Series 2006A Note shall refund the Series 2004A1 Note and the Series 2004B1 Note. The Series 2006B Note shall refund the Series 2004B2 Note.

SECTION 9. SECURITY FOR THE NOTES. The Issuer covenants and agrees to appropriate in its annual budget for each Fiscal Year in which the Notes remain Outstanding, sufficient amounts of Non-Ad Valorem Revenues for the payment of principal of and interest on the Notes in each such Fiscal Year. Such covenant and agreement on the part of the Issuer shall be cumulative and shall continue until all payments of principal of and interest on the Notes shall have been budgeted, appropriated and actually paid. The Issuer agrees that this covenant and agreement shall be deemed to be entered into for the benefit of the holders of the Notes and that this obligation may be enforced in a court of competent jurisdiction. This covenant and agreement shall not be construed as a limitation on the ability of the Issuer to pledge all or a portion of such Non-Ad Valorem Revenues for other legally permissible purposes. Nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage upon any assets owned by the Issuer and no person may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Issuer for the payment of the Issuer's obligations hereunder. The Notes shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of the Constitution of the State of Florida, and no Holder or Holders of any Notes issued hereunder shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any real or personal property therein. The obligation of the Issuer to appropriate Non-Ad Valorem Revenues shall be subject in all respects to the obligation of the Issuer to provide for essential governmental services and further shall be subject to the provisions of Section 129.07, Florida Statutes. Notwithstanding any provisions of this Resolution to the contrary, the Issuer shall not be obligated to exercise ad valorem taxing power to maintain or continue any of the activities of the Issuer which generate user service charges, regulatory fees or other Non-Ad Valorem Revenues.

All deposits into the funds and accounts created by this Resolution shall be deemed to be held in trust by the Issuer for the purposes herein provided and used and applied only for the purposes and in the manner herein provided.

SECTION 10. COVENANTS OF THE ISSUER. For so long as any of the principal of and interest on the Notes shall be outstanding and unpaid or until the Issuer has made provision for

payment of principal of and interest, with respect to the Notes, the Issuer covenants as follows:

A. Funds and Accounts. The Issuer covenants and agrees to establish separate funds to be known as the "Revenue Fund," the "Debt Service Fund" and the "Rebate Fund." Moneys in the aforementioned funds, other than the Rebate Fund, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holder and for the further security of the Holder.

The Issuer may, but shall not be required to, at any time and from time to time appoint one or more depositories to hold, for the benefit of the Holder, any one or more of the funds and accounts established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agents and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than five million dollars (\$5,000,000).

B. Flow of Funds.

(1) The Issuer shall credit the appropriated and budgeted amounts of Non-Ad Valorem Revenue to the Revenue Fund. The moneys in the Revenue Fund shall be deposited or credited on or before the last day of each month, commencing with the month in which delivery of the Notes shall be made to the purchaser or purchasers thereof, or such later date as hereinafter provided, in the following manner and in the following order of priority:

(a) Debt Service Fund. The Issuer shall deposit into or credit to the Debt Service Fund the sum which, together with the balance in said fund, shall be equal to the interest and the principal amount on all Outstanding Notes accrued and unpaid and to accrue to the end of the then current calendar month. Moneys in the Debt Service Fund shall be used to pay principal of and interest on the Notes as and when the same become due, whether by redemption or otherwise, and for no other purpose. In determining the amount to deposit for principal, the Issuer shall take into account that portion of the principal due on the next principal payment date which would have accrued on said Notes during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equivalent calendar months of thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding principal payment due date, from a date one year preceding the due date of such principal amount. The Issuer shall adjust the amount of the deposit into the Debt Service Fund not later than the month immediately preceding any payment date so as to provide sufficient moneys in the Debt Service Fund to pay the principal of and interest on the Notes

coming due on such payment date.

(b) Balance. The balance of any moneys after the deposits required by Section 10(B)(1) hereof may be transferred to any appropriate fund or account of the Issuer or may be used for any lawful purpose.

(2) The Issuer, in its discretion, may use moneys in the Debt Service Fund to purchase or redeem Notes coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the Issuer's ability to pay the principal or interest coming due on such principal payment date on the Notes not so purchased or redeemed.

(3) On the date established for payment of any principal or redemption price, if applicable, or interest on the Notes, the Issuer shall withdraw from the appropriate account of the Debt Service Fund sufficient moneys to pay such principal or redemption price, if applicable, or interest and deposit such moneys with the Paying Agent for the Notes to be paid.

C. Rebate Fund. Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Revenue Fund) and the Series 2006A Noteholders shall have no right to have the same applied for debt service on the Series 2006A Notes. The Issuer agrees to undertake all actions required of it in its arbitrage certificate, dated the date of issuance of the Series 2006A Notes, relating to such Series 2006A Notes, including, but not limited to:

(1) making a determination in accordance with the Code of the amount, if any, required to be deposited in the Rebate Fund;

(2) depositing the amount determined in clause (1) above into the Rebate Fund;

(3) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(4) keeping such records of the determinations made pursuant to this Section as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Series 2006A Notes.

The provisions of the above-described arbitrage certificate may be amended from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

D. Annual Audit. The Issuer shall, immediately after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified

public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. Such annual financial statements shall contain, but not be limited to, a balance sheet, a statement of revenues, expenditures and changes in fund balance, and any other statements as required by law or accounting convention, and a report by such accountants disclosing any material default on the part of the Issuer of any covenant or agreement herein which is disclosed by the audit of the financial statements. The annual financial statements shall be prepared in conformity with generally accepted accounting principles.

E. No Impairment. The Issuer's covenant to budget and appropriate Non-Ad Valorem Revenue in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the Issuer.

SECTION 11. OTHER MATTERS. The Chairman and the Clerk or any other appropriate officers of the Issuer are hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution or any other document referred to above as a prerequisite or precondition to the issuance of the Notes and any such representation made therein shall be deemed to be made on behalf of the Issuer. All action taken to date by the officers of the Issuer in furtherance of the issuance of the Notes is hereby approved, confirmed and ratified.

SECTION 12. MODIFICATION OR AMENDMENT. Subject to the terms and provisions contained in this Resolution, the Holder of the Notes then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such supplemental resolution or resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution. No supplemental resolution may be approved or adopted without the prior written consent of the Holder which shall permit or require (A) an extension of the maturity of the principal of or the payment of the interest on any Note issued hereunder, (B) reduction in the principal amount of any Note or the redemption price or the rate of interest thereon, (C) the creation of a lien upon or a pledge of other than the lien and pledge created by this Resolution which adversely affects the Holder, (D) a preference or priority of any Note or Notes over any other Note or Notes, or (E) a reduction in the aggregate principal amount of the Notes required for consent to such supplemental resolution.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any supplemental resolution pursuant to this Section, the Clerk shall cause the Registrar to give notice of the proposed adoption of such supplemental resolution and the form of consent to such adoption to be mailed, postage prepaid, to the Holder at its address as it appears on the registration books. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by the Holder. The Issuer shall not, however, be subject to any liability to the Holder by reason of its

failure to cause the notice required by this Section to be mailed and any such failure shall not affect the validity of such supplemental resolution when consented to and approved as provided in this Section.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holder of the Notes then Outstanding, which instrument or instruments shall refer to the proposed supplemental resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such supplemental resolution in substantially such form, without liability or responsibility to the Holder.

If the Holder of the Notes Outstanding at the time of the adoption of such supplemental resolution shall have consented to and approved the adoption thereof as herein provided, no subsequent Holder of any Note shall have any right to object to the adoption of such supplemental resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any supplemental resolution pursuant to the provisions of this Section, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and the Holder shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

SECTION 13. HOLDER NOT AFFECTED BY USE OF PROCEEDS. The Holder of the Notes shall have no responsibility for the use of the proceeds thereof, and the use of such proceeds by the Issuer shall in no way affect the rights of such Holder. The Issuer shall be irrevocably obligated to continue to levy and collect the Non-Ad Valorem Revenue as provided herein and to pay the principal of and interest on the Notes and to make all other payments provided for herein from the Non-Ad Valorem Revenue notwithstanding any failure of the Issuer to use and apply such proceeds in the manner provided herein.

SECTION 14. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of or interest on the Notes when due.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of

composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Notes or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holder.

In the case of an Event of Default, the Holder of the Note shall be entitled to exercise such remedies as are set forth in the Notes, the form of which is attached hereto as Exhibit A.

SECTION 15. TAX COVENANT. No use will be made of the proceeds of the Series 2006A Note which, if such use were reasonably expected on the date of issuance of the Series 2006A Note, would cause the same to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986. The Issuer at all times while the Series 2006A Note and the interest thereon are outstanding will comply with the requirements of the Internal Revenue Code of 1986, and any valid and applicable rules and regulations promulgated thereunder necessary to maintain the exclusion of the interest on the Series 2006A Note from federal gross income including the creation of any rebate funds or other funds and/or accounts required in that regard.

The Issuer shall at all times do and perform all acts and things permitted by law and this Resolution which are necessary or desirable in order to assure that interest paid on the Series 2006A Note will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes.

In order to insure compliance with the rebate provisions of Section 148(f) of the Code with respect to the Series 2006A Note, the Issuer hereby creates the Rebate Fund to be held by the Issuer. The Rebate Fund need not be maintained if the Issuer shall have received an opinion of Bond Counsel to the effect that failure to create the Rebate Fund shall not adversely affect the exclusion of interest on such Series 2006A Note from gross income for purposes of Federal income taxation. Moneys in the Rebate Fund shall not be considered Non-Ad Valorem Revenue and shall not be pledged in any manner for the benefit of the holders of the Series 2006A Note. Moneys in the Rebate Fund (including earnings and deposits therein) shall (i) be held for future payment to the United States Government as required by the United States Treasury Regulations and as set forth in instructions of Bond Counsel delivered to the Issuer upon issuance of the Series 2006A Note or (ii) be returned to the Issuer if not required for the purposes set forth in (i).

SECTION 16. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this Resolution should 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 separate from the remaining covenants, agreements or provisions of this Resolution or of the Notes or coupons issued thereunder.

SECTION 17. INCONSISTENT RESOLUTIONS. All prior resolutions of the Issuer inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained.

SECTION 18. EFFECTIVE DATE. The provisions of this Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of County Commissioners of Palm Beach County Florida, this 21st day of November, 2006

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

District 1:	Karen T. Marcus
District 2:	Jeff Koons
District 3:	Warren H. Newell
District 4:	Mary McCarty
District 5:	Burt Aaronson
District 6:	
District 7:	Addie L. Greene

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of November, 2006.

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

SHARON R. BOCK, CLERK & COMPTROLLER

By: _____
Deputy Clerk

Approved as to form
and legal sufficiency

By: _____
Assistant County Attorney

No. R-1

\$9,039,049

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF PALM BEACH
PUBLIC IMPROVEMENT REVENUE NOTE
(BIOMEDICAL RESEARCH PARK INFRASTRUCTURE PROJECT)
SERIES 2006A

MATURITY DATE:

DATED DATE:

December 14, 2007

December 14, 2006

REGISTERED OWNER: BANK OF AMERICA, N.A.

PRINCIPAL AMOUNT: NINE MILLION THIRTY-NINE THOUSAND FOURTY-NINE DOLLARS

KNOW ALL MEN BY THESE PRESENTS that the Palm Beach County, Florida (hereinafter called "Issuer"), for value received, hereby promises to pay to the order of the Registered Owner identified above, or registered assigns, as herein provided, on the Maturity Date identified above, from the revenues hereinafter mentioned, the Principal Amount identified above and to pay, solely from said sources, to the Registered Owner hereof, interest on said principal sum at LIBOR Rate (hereafter defined) commencing from the date of registration and authentication of this Note. The interest rate on this Note is subject to adjustment as provided herein. All computations of interest hereunder shall be based upon a year of 360 days consisting of twelve 30-day months.

"LIBOR Rate" is a fluctuating rate of interest equal to the sum of (i) .52% plus (ii) 63.7% of the one month London Interbank Offered Rate as published in the "Money Rates" section of The Wall Street Journal (or, if such source is not available, or if the rate is misquoted therein, such alternate source as determined by the Bank) (the "Index"). Any change in the Index, and thus, the interest rate on this Note, will take effect on the effective date as indicated in The Wall Street Journal (or any alternate source described herein). Interest will accrue on any day which is not a Business Day at the rate in effect on the immediately preceding Business Day.

Interest and principal shall be payable in full at Maturity in immediately available funds constituting lawful money of the United States of America at such places as the Registered Owner may designate to the Issuer. If any date for the payment of principal or interest hereon shall fall on a day which is a Saturday, Sunday or day on which the Issuer or the Registered Owner is lawfully closed, the payment due on such date shall be due on the next succeeding day which is not a

Saturday, Sunday or day on which the Issuer or the Registered Owner is lawfully closed, provided, however, that interest shall continue to accrue until the payment is actually received by the Registered Owner.

This Note issue shall be subject to prepayment prior to its maturity at the option of the Issuer in whole or in part, on any date prior to their maturity, without premium, and with interest accrued until the date of prepayment.

This Note is one of an authorized issue of Notes in the aggregate principal amount of \$9,039,049 of like date, tenor and effect, except as to number, principal amount, maturity, redemption provisions, and interest rate, issued to finance certain design, engineering and preliminary construction costs of infrastructure improvements to certain lands owned by the Issuer in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 125, Florida Statutes, and a Resolution duly adopted by the Issuer on November 21, 2006 (the "Resolution"), and is subject to all the terms and conditions of such Resolution. All capitalized undefined terms used herein shall have the meaning set forth in the Resolution.

This Note is payable from and secured by the Pledged Revenues. Reference is made to the Resolution for a definition and description of the Pledged Revenues.

Upon the occurrence of a Determination of Taxability, the interest rate on this Note shall be adjusted to a rate equal to 154% of the interest rate otherwise borne hereby (the "Adjusted Interest Rate"), as of and from the date such determination would be applicable with respect to this Note (the "Accrual Date"); and (i) the Issuer shall on the next interest payment date (or if this Note shall have matured, within thirty days after demand) pay to the Registered Owner, or any former Registered Owner, as may be appropriately allocated, an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on this Note at the Adjusted Interest Rate from the Accrual Date to such interest payment date, and (B) the actual interest paid by the Issuer on this Note from the Accrual Date to such interest payment date, and (2) any interest and penalties required to be paid as a result of any additional State of Florida and federal income taxes imposed upon such Registered Owner and/or former Registered Owner arising as a result of such Determination of Taxability; and (ii) from and after the Accrual Date, this Note shall continue to bear interest at the Adjusted Interest Rate for the period such determination continues to be applicable with respect to this Note. This adjustment shall survive payment of this Note until such time as the federal statute of limitations under which the interest on this Note could be declared taxable under the Code shall have expired.

(1) "Code" means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations, whether temporary, proposed or final, promulgated thereunder or applicable thereto;

(2) "Determination of Taxability" shall mean interest on this Note is determined or declared, by the Internal Revenue Service or a court of competent jurisdiction to be included in the

gross income of the Owner for federal income tax purposes under the Code.

Upon the occurrence and continuance for ten days or more of an Event of Default under and as defined in the Section 14(A) of the Resolution, then, at the option of the Registered Owner interest at the lesser of 12% per annum or the maximum lawful rate per annum shall be payable on the entire principal balance owing hereunder from and after the occurrence of and during the continuation of such default, irrespective of a declaration of maturity.

The Issuer to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

This Note does not constitute a general indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Holder of this Note that such Holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment of the principal of and interest on this Note or the making of any other payments provided for in the Resolution.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Note exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Notes of this issue does not violate any constitutional, statutory, or charter limitation or provision.

This Note is and has all the qualities and incidents of a negotiable instrument under Article 8 of the Uniform Commercial Code, the State of Florida, Chapter 678, Florida Statutes.

The transfer of this Note is registerable by the Noteholder hereof in person or by his attorney or legal representative at the principal office of the Registrar but only in the manner and subject to the conditions provided in the Resolution and upon surrender and cancellation of this Note.

This Note shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, Palm Beach County, Florida, has issued this Note and has caused the same to be signed by the Chairman and countersigned and attested to by the Deputy Clerk and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the Dated Date.

PALM BEACH COUNTY, FLORIDA

(SEAL)

Chairperson

ATTESTED AND COUNTERSIGNED:

Deputy Clerk

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes issued under the provisions of the within mentioned Resolution.

Clerk of the Board of County Commissioners of
Palm Beach County, Florida
Registrar, as Authenticating Agent

Date of Authentication:

December 14, 2006

By _____
Authorized Officer

ASSIGNMENT AND TRANSFER

For value received the undersigned hereby sells, assigns and transfers unto _____ (Please insert Social Security or other identifying number of transferee) _____ the attached Note of the Palm Beach County, Florida, and does hereby constitute and appoint, _____ attorney, to transfer the said Note on the books kept for registration thereof, with full power of substitution in the premises.

Date

Signature Guaranteed by

[member firm of the New York
Stock Exchange or a commercial
bank or a trust company.]

By: _____
Title: _____

NOTICE:

No transfer will be registered and no new Notes will be issued in the name of the Transferee, unless the signature to this assignment corresponds with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

No. R-2

\$1,960,951

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF PALM BEACH
TAXABLE PUBLIC IMPROVEMENT REVENUE NOTE
(BIOMEDICAL RESEARCH PARK INFRASTRUCTURE PROJECT)
SERIES 2006B

MATURITY DATE:

DATED DATE:

December 14, 2007

December 14, 2006

REGISTERED OWNER: BANK OF AMERICA, N.A.

PRINCIPAL AMOUNT: ONE MILLION NINE HUNDRED SIXTY THOUSAND NINE HUNDRED FIFTY-ONE DOLLARS

KNOW ALL MEN BY THESE PRESENTS that the Palm Beach County, Florida (hereinafter called "Issuer"), for value received, hereby promises to pay to the order of the Registered Owner identified above, or registered assigns, as herein provided, on the Maturity Date identified above, from the revenues hereinafter mentioned, the Principal Amount identified above and to pay, solely from said sources, to the Registered Owner hereof, interest on said principal sum at the LIBOR Rate (hereafter defined) commencing from the date of registration and authentication of this Note. The interest rate on this Note is subject to adjustment as provided herein. All computations of interest hereunder shall be based upon a year of 360 days consisting of twelve 30-day months.

"LIBOR Rate" is a fluctuating rate of interest equal to the sum of (i) .83% plus (ii) 100% of the one month London Interbank Offered Rate as published in the "Money Rates" section of The Wall Street Journal (or, if such source is not available, or if the rate is misquoted therein, such alternate source as determined by the Bank) (the "Index"). Any change in the Index, and thus, the interest rate on this Note, will take effect on the effective date as indicated in The Wall Street Journal (or any alternate source described herein). Interest will accrue on any day which is not a Business Day at the rate in effect on the immediately preceding Business Day.

Interest and principal shall be payable in full at Maturity in immediately available funds constituting lawful money of the United States of America at such places as the Registered Owner may designate to the Issuer. If any date for the payment of principal or interest hereon shall fall on a day which is a Saturday, Sunday or day on which the Issuer or the Registered Owner is lawfully closed, the payment due on such date shall be due on the next succeeding day which is not a

Saturday, Sunday or day on which the Issuer or the Registered Owner is lawfully closed, provided, however, that interest shall continue to accrue until the payment is actually received by the Registered Owner.

This Note issue shall be subject to prepayment prior to its maturity at the option of the Issuer in whole or in part, on any date prior to their maturity, without premium, and with interest accrued until the date of prepayment.

This Note is one of an authorized issue of Notes in the aggregate principal amount of \$1,960,951 of like date, tenor and effect, except as to number, principal amount, maturity, redemption provisions, and interest rate, issued to finance certain design, engineering and preliminary construction costs of infrastructure improvements to certain lands owned by the Issuer in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 125, Florida Statutes, and a Resolution duly adopted by the Issuer on November 21, 2006 (the "Resolution"), and is subject to all the terms and conditions of such Resolution. All capitalized undefined terms used herein shall have the meaning set forth in the Resolution.

This Note is payable from and secured by the Pledged Revenues. Reference is made to the Resolution for a definition and description of the Pledged Revenues.

Upon the occurrence and continuance for ten days or more of an Event of Default under and as defined in the Section 14(A) of the Resolution, then, at the option of the Registered Owner interest at the lesser of 12% per annum or the maximum lawful rate per annum shall be payable on the entire principal balance owing hereunder from and after the occurrence of and during the continuation of such default, irrespective of a declaration of maturity.

The Issuer to the extent permitted by law hereby waives presentment, demand, protest and notice of dishonor.

This Note does not constitute a general indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Holder of this Note that such Holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment of the principal of and interest on this Note or the making of any other payments provided for in the Resolution.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Note exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Notes of this issue does not violate any constitutional, statutory, or charter limitation or provision.

This Note is and has all the qualities and incidents of a negotiable instrument under Article 8 of the Uniform Commercial Code, the State of Florida, Chapter 678, Florida Statutes.

The transfer of this Note is registerable by the Noteholder hereof in person or by his attorney or legal representative at the principal office of the Registrar but only in the manner and subject to the conditions provided in the Resolution and upon surrender and cancellation of this Note.

This Note shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, Palm Beach County, Florida, has issued this Note and has caused the same to be signed by the Chairman and countersigned and attested to by the Deputy Clerk and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the Dated Date.

PALM BEACH COUNTY, FLORIDA

(SEAL)

Chairman

ATTESTED AND COUNTERSIGNED:

Deputy Clerk

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes issued under the provisions of the within mentioned Resolution.

Clerk of the Board of County Commissioners of
Palm Beach County, Florida
Registrar, as Authenticating Agent

Date of Authentication:

December 14, 2006

By _____
Authorized Officer

ASSIGNMENT AND TRANSFER

For value received the undersigned hereby sells, assigns and transfers unto _____ (Please insert Social Security or other identifying number of transferee) _____ the attached Note of the Palm Beach County, Florida, and does hereby constitute and appoint, _____ attorney, to transfer the said Note on the books kept for registration thereof, with full power of substitution in the premises.

Date

Signature Guaranteed by

[member firm of the New York
Stock Exchange or a commercial
bank or a trust company.]

By: _____

Title: _____ NOTICE:

No transfer will be registered and no new Notes will be issued in the name of the Transferee, unless the signature to this assignment corresponds with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.