

PALM BEACH COUNTY  
 BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

36-2

Meeting Date: July 10, 2007  Consent  Regular  
 Ordinance  Public Hearing  
 Department: Office of Financial Management & Budget

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to adopt a Resolution authorizing the issuance and negotiated sale of Public Improvement Revenue Bonds (Biomedical Research Park Project), Series 2007 in an initial aggregate principal amount of not exceeding \$104 Million for the purpose of redeeming the County's Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project), Series 2006 at or prior to maturity, funding a grant to the Scripps Research Institute (Scripps) to enable Scripps to pay a portion of the costs of acquiring, constructing, improving and equipping permanent facilities to be developed by Scripps, funding certain additional costs of the Biomedical Research Park Project, and paying all costs necessary or incidental to the foregoing; delegating authority to proper officials of the County, in consultation with the County's Financial Advisor, to determine whether to obtain a bond insurance policy and to fund a reserve account for the bonds, and if so funded, whether to obtain a reserve account credit facility in satisfaction of all or a part of the reserve requirement; authorizing the execution and delivery of one or more insurance agreements in connection with any bond insurance policy and/or reserve account credit facility and the payment of the related premiums; approving the form of a bond purchase agreement and delegating authority to proper officials of the County to determine certain details of such bonds and to execute and deliver a bond purchase agreement to effect the negotiated sale of the Bonds, all subject to the parameters set forth in this Resolution; approving the form of and authorizing the distribution of a preliminary official statement in connection with the offering and sale of the Bonds and authorizing the execution and delivery by proper officials of the County of a final official statement; authorizing the proper officials of the County to do all things deemed necessary or advisable in connection with the issuance of such Bonds; providing for certain other matters in connection therewith; and providing for an effective date.

**Summary:** On May 23, 2006, the County entered into a Grant Agreement with Scripps providing for the County to make certain monetary grants to Scripps to be applied, together with the other amounts available from the original Scripps Grant Account, to enable Scripps to pay the costs of acquiring, constructing, improving and equipping the Permanent Facilities at its new location on the FAU campus in Jupiter.

Continued on Page 3

**Attachments:**

- Bond Resolution (On File in OFMB)

Recommended by: Richard Roberts Department Director 7/5/07 Date

Approved By: [Signature] County Administrator 7/5/07 Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Debt Service Costs	_____	<u>1,899,000</u>	<u>7,764,000</u>	<u>7,764,000</u>	<u>7,764,000</u>
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
 <b>NET FISCAL IMPACT</b>	_____	<u>1,899,000</u>	<u>7,764,000</u>	<u>7,764,000</u>	<u>7,764,000</u>
 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:**

The debt service above is based on a 20 year amortization and is paid from non-ad valorem revenues. The Resolution language states the bonds will be amortized up to 30 years so that this alternative can be considered.

**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS**

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

The bonds will be issued in Fiscal Year 2008 and the FY 2008 budget includes a semi-annual interest payment.

  
 \_\_\_\_\_  
 OFMB

N/A  
 \_\_\_\_\_  
 Contract Dev. and Control

**B. Legal Sufficiency:**

  
 \_\_\_\_\_  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

According to the Grant Agreement, the Permanent Facilities costs at the FAU site is \$186,751,957 and the County has \$108,970,345 from the initial Series 2005 Scripps Facilities Bonds that will be spent on the facilities at FAU. The additional funding of \$77,781,612 will be included in the Series 2007 Bonds. The Series 2007 Bonds will also include paying off the \$16,322,600 Public Improvement Bond Anticipation Notes, Series 2006 plus interest (Briger Land Acquisition), development costs and entitlements totaling \$6,500,000 related to the Briger Land and cost of issuance of the bonds. We anticipate that the bonds will be issued in November, 2007. **Countywide (PFK)**

**Background and Justification:**

On November 21, 2006, the County issued its \$16,322,600 Public Improvement Revenue Bond Anticipation Notes, Series 2006 (Biomedical Research Park Project) for the purpose of acquiring the Briger Land and certain mineral rights related to the Briger Land. The Grant Agreement required the County to purchase the Briger Land and pay certain development costs and entitlements in the amount of \$6,500,000 related to the Briger Land.

The annual debt service for the bonds will be secured by a pledge of non-ad valorem revenues of the County.

---

**PALM BEACH COUNTY, FLORIDA**  
**PUBLIC IMPROVEMENT REVENUE BONDS,**  
**SERIES 2007**  
**(BIOMEDICAL RESEARCH PARK PROJECT)**

**TABLE OF CONTENTS**

	<u>Page</u>
<u>SECTION 1. DEFINITIONS.</u>	5
<u>SECTION 2. PURPOSE OF THE SERIES 2007 BONDS; FORM OF SERIES 2007 BONDS; APPLICATION OF PROCEEDS OF THE SERIES 2007 BONDS.</u>	5
<u>SECTION 3. DESCRIPTION OF THE SERIES 2007 BONDS</u>	7
<u>SECTION 4. SALE OF THE SERIES 2007 BONDS.</u>	7
<u>SECTION 5. PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT</u>	8
<u>SECTION 6. MATTERS RELATING TO CREDIT ENHANCEMENT</u>	9
<u>SECTION 7. APPOINTMENT OF PAYING AGENT AND REGISTRAR; COMPENSATION, EXPENSES AND ADVANCES</u>	9
<u>SECTION 8. FURTHER AUTHORIZATIONS</u>	10
<u>SECTION 9. EFFECTIVE DATE.</u>	10
<b>EXHIBITS</b>	
EXHIBIT A PURCHASE AGREEMENT	A-1
EXHIBIT B PRELIMINARY OFFICIAL STATEMENT	B-1

RESOLUTION NO. R-2007-\_\_\_\_\_

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE AND NEGOTIATED SALE OF PALM BEACH COUNTY, FLORIDA, PUBLIC IMPROVEMENT REVENUE BONDS, SERIES 2007 (BIOMEDICAL RESEARCH PARK PROJECT) IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$104,000,000 FOR THE PURPOSES OF REDEEMING THE COUNTY'S PUBLIC IMPROVEMENT REVENUE BOND ANTICIPATION NOTES (BIOMEDICAL RESEARCH PARK PROJECT), SERIES 2006 AT OR PRIOR TO MATURITY, FUNDING A GRANT TO THE SCRIPPS RESEARCH INSTITUTE ("SCRIPPS") TO ENABLE SCRIPPS TO PAY A PORTION OF THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING PERMANENT FACILITIES TO BE DEVELOPED BY SCRIPPS, FUNDING CERTAIN ADDITIONAL COSTS OF THE BIOMEDICAL RESEARCH PARK PROJECT, AND PAYING ALL COSTS NECESSARY OR INCIDENTAL TO THE FOREGOING; DELEGATING AUTHORITY TO PROPER OFFICIALS OF PALM BEACH COUNTY, IN CONSULTATION WITH THE COUNTY'S FINANCIAL ADVISOR, TO DETERMINE WHETHER TO OBTAIN A BOND INSURANCE POLICY AND TO FUND A RESERVE ACCOUNT FOR THE BONDS, AND IF SO FUNDED, WHETHER TO OBTAIN A RESERVE ACCOUNT CREDIT FACILITY IN SATISFACTION OF ALL OR A PART OF THE RESERVE REQUIREMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE INSURANCE AGREEMENTS IN CONNECTION WITH ANY BOND INSURANCE POLICY AND/OR RESERVE ACCOUNT CREDIT FACILITY AND THE PAYMENT OF THE RELATED PREMIUMS; APPROVING THE FORM OF A BOND PURCHASE AGREEMENT AND DELEGATING AUTHORITY TO PROPER OFFICIALS OF PALM BEACH COUNTY TO DETERMINE CERTAIN DETAILS OF SUCH BONDS AND TO EXECUTE AND DELIVER A BOND PURCHASE AGREEMENT TO EFFECT THE NEGOTIATED SALE OF THE BONDS, ALL SUBJECT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF THE BONDS AND AUTHORIZING THE EXECUTION AND DELIVERY BY PROPER OFFICIALS OF PALM BEACH COUNTY OF A FINAL OFFICIAL STATEMENT; AUTHORIZING THE PROPER OFFICIALS OF PALM BEACH COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN

**CONNECTION WITH THE ISSUANCE OF SUCH BONDS; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, on January 27, 2004 the Board of County Commissioners of Palm Beach County, Florida (the "County Commission"), as the governing body of Palm Beach County, Florida (the "County"), adopted Resolution No. R-2004-0147 (the "Bond Resolution") authorizing the issuance of its Public Improvement Revenue Bonds (Biomedical Research Park Project) (the "Bonds") in one or more "Series" (as defined in the Bond Resolution) for the purpose of financing and refinancing the "Project" (as defined in the Bond Resolution) and authorizing the issuance of its Public Improvement Revenue Bond Anticipation Notes (Biomedical Research Park Project) (the "Notes") in one or more Series in anticipation of the issuance of the Bonds; and

**WHEREAS**, in connection with the Project, the County and The Scripps Research Institute ("Scripps") entered into a Grant Agreement dated February 9, 2004 (the "Original Grant Agreement") which, among other matters, provided for the County to make certain monetary grants to Scripps to enable Scripps to pay the costs of acquiring, constructing, improving and equipping the "Permanent Facilities" (as defined in the Original Grant Agreement), all in accordance with the Permanent Facilities Development Addendum to such Original Grant Agreement; and

**WHEREAS**, pursuant to the Bond Resolution, the County has heretofore issued certain Bonds and Notes to finance and refinance components of the Project, including its Public Improvement Bond Anticipation Notes, Series 2004 (the "2004 Bond Anticipation Notes") and its Public Improvement Revenue Bonds, Series 2005A (Biomedical Research Park Project) (the "Series 2005A Bonds"), a portion of the proceeds of which were deposited to the Scripps Grant Account (as defined in the Bond Resolution) for disbursement as provided in the Bond Resolution and Permanent Facilities Development Addendum to the Original Grant Agreement; and

**WHEREAS**, subsequent to the issuance of the 2004 Bond Anticipation Notes and the Series 2005A Bonds, the County, at Scripps' request, agreed to relocate the site of the Permanent Facilities as a consequence of pending litigation that enjoined construction from occurring at the initially chosen site, and, in furtherance thereof, have terminated the Original Grant Agreement and in lieu thereof entered into a Grant Agreement dated as of May 23, 2006 (the "Grant Agreement") which provides, among other matters, for the County to make certain monetary grants to Scripps, to be applied, together with other amounts available in the Scripps Grant Account, to enable Scripps to pay the costs of acquiring, constructing, improving and equipping the "Permanent Facilities" (as defined in the Grant Agreement) in accordance with the Permanent Facilities Development Addendum to such Grant Agreement on the "FAU Site" (as defined in the Grant Agreement); and

**WHEREAS**, the Grant Agreement also requires the County to acquire the "Briger

Site" (as defined in the Grant Agreement) to be ground leased to Scripps, on which laboratory and office space for Scripps will be constructed by Scripps; and

**WHEREAS**, the Grant Agreement also requires the County to undertake certain actions, at its expense, to prepare the Briger Site for development, including obtaining certain development approvals and entitlements for the Briger Site, making certain payments to governmental entities in connection therewith and undertaking certain environmental remediation, if necessary, all as more fully set forth in the Grant Agreement (collectively, the "Briger Site Obligations"); and

**WHEREAS**, pursuant to the Bond Resolution, as supplemented by Resolution No. R-2006-2421 adopted on November 21, 2006 (the "Bond Anticipation Note Resolution"), the County Commission has previously issued its Public Improvement Revenue Bond Anticipation Notes, Series 2006 (Biomedical Research Park Project) in the aggregate principal amount of \$16,322,600, all of which is currently outstanding (the "2006 Notes"), maturing on December 30, 2007, for the purpose of acquiring the Briger Site and certain mineral rights related to the Briger Site; and

**WHEREAS**, the Bond Anticipation Note Resolution authorizes, among other matters, the issuance of a Series of "Tax-Exempt Bonds" (as defined in the Bond Resolution) in an aggregate principal amount sufficient to pay the principal of and interest on the 2006 Notes when due, or upon the earlier redemption thereof (which redemption may be made in whole or in part at any time without premium, together with interest accrued through the redemption date) and for such other purposes as specified in subsequent proceedings of the County; and

**WHEREAS**, the Bond Resolution provides that certain details of the Bonds issued thereunder and other matters related thereto shall be determined by subsequent proceedings of the County Commission, which shall be deemed supplemental to the Bond Resolution; and

**WHEREAS**, the County Commission now desires to provide for the issuance of Bonds pursuant to the Bond Resolution, consisting of its Public Improvement Revenue Bonds, Series 2007 (Biomedical Research Park Project) to be issued in the aggregate principal amount of not exceeding One Hundred Four Million Dollars (\$104,000,000) (the "Series 2007 Bonds"), the proceeds of which will be used to pay Costs of the Project consisting of the following: (i) redeeming the outstanding principal amount of the 2006 Notes, together with interest accrued thereon, at or prior to the maturity thereof; (ii) funding of a grant to Scripps, which will be applied, together with amounts available in the Scripps Grant Account, to enable Scripps to pay a portion of the costs of acquiring, constructing, improving and equipping the Permanent Facilities to be developed by Scripps pursuant to, and in accordance with, the Permanent Facilities Development Addendum to the Grant Agreement; (iii) payment of all or a portion of the costs associated with the Briger Obligations; (iv) payment of all costs necessary or incidental to the foregoing, including funding the Debt Service Reserve Account (as defined in the Bond Resolution) if determined necessary in accordance herewith; and



(v) payment of costs of issuance of the Series 2007 Bonds, including the premiums for a Bond Insurance Policy (as defined in the Bond Resolution) and Reserve Account Credit Facility (as defined in the Bond Resolution) if it is determined necessary to obtain such Bond Insurance Policy and Reserve Account Credit Facility in accordance herewith; and

**WHEREAS**, County Resolution R-90-938, adopted June 26, 1990, provides that before the County shall issue any indebtedness payable from Non-Ad Valorem Revenues, the County must demonstrate that after the proposed issuance of such indebtedness, it shall meet the requirements set forth in Article III, Section 11(d) of said Resolution R-90-938; and

**WHEREAS**, the Series 2007 Bonds will be secured by a pledged of Pledged Revenues (as defined in the Bond Resolution) and will meet the tests provided under said Resolution R-90-938; and

**WHEREAS**, attached hereto is a proposed form of Bond Purchase Agreement (the "Purchase Agreement") with respect to the purchase and sale of the Series 2007 Bonds submitted by Janney Montgomery Scott LLC, as the representative (the "Representative") of the underwriters named therein (collectively with the Representative, the "Underwriters"), and

**WHEREAS**, based on the findings set forth in Section 4 hereof and the recommendations of the County's financial advisor, the Board determines that it would be in the best interest of the County that the Series 2007 Bonds be sold on a negotiated basis; and

**WHEREAS**, subject to the provisions of Section 4 hereof, the County Commission desires to delegate to the County Administrator of the County (the "County Administrator") and the Debt Manager of the County (the "Debt Manager") the authority to determine the final details of the Series 2007 Bonds, and to delegate to the Chairperson (or in the absence of the Chairperson, any member of the County Commission), the authority to award the Series 2007 Bonds to the Underwriters pursuant to a negotiated sale by executing and delivering the Purchase Agreement setting forth the details of the Series 2007 Bonds, among other matters; and

**WHEREAS**, pursuant to Section 218.385, Florida Statutes, an authorized officer of the Representative will deliver to the County a disclosure statement and truth-in-bonding statement on behalf of the Underwriters in the form attached to or incorporated in the Purchase Agreement as a condition to the execution of the Purchase Agreement by the County; and

**WHEREAS**, subject to the provisions of Section 5 hereof, the County Commission desires to approve a form of Preliminary Official Statement relating to the Series 2007 Bonds, substantially in the form attached hereto, to delegate to either of the County Administrator or Debt Manager the authority to deem the Preliminary Official

Statement "final" within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to authorize the preparation and distribution of a final Official Statement; and

**WHEREAS**, subject to the provisions of Section 6 hereof, the County Commission desires to delegate to the County Administrator and the Debt Manager the authority to determine whether to obtain a Bond Insurance Policy for the Series 2007 Bonds, whether to fund the Debt Service Reserve Account, and if so funded, whether to obtain a Reserve Account Credit Facility in lieu of funding the Debt Service Reserve Account, all or in part, with cash; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:**

**SECTION 1. DEFINITIONS.** All capitalized terms used in this Resolution not otherwise defined herein shall have the meanings ascribed to such terms in the Bond Resolution, unless the context clearly indicates otherwise. This Resolution is supplemental to the Bond Resolution.

**SECTION 2. PURPOSE OF THE SERIES 2007 BONDS; FORM OF SERIES 2007 BONDS; APPLICATION OF PROCEEDS OF THE SERIES 2007 BONDS.** The County hereby authorizes and determines at this time to authorize the issuance of not exceeding One Hundred Four Million Dollars (\$104,000,000) in aggregate principal amount of the Series 2007 Bonds as Tax-Exempt Bonds pursuant to the Bond Resolution the proceeds of which will be used to pay Costs of the Project consisting of the following: (i) redeeming the outstanding principal amount of the 2006 Notes, together with interest accrued thereon, at or prior to the maturity thereof; (ii) funding of a grant to Scripps, which will be applied, together with amounts available in the Scripps Grant Account, to enable Scripps to pay a portion of the costs of acquiring, constructing, improving and equipping the Permanent Facilities (as defined in the Grant Agreement) to be developed by Scripps pursuant to, and in accordance with, the Permanent Facilities Development Addendum to the Grant Agreement; (iii) payment of all or a portion of the costs associated with the Briger Obligations; (iv) payment of all costs necessary or incidental to the foregoing, including funding the Debt Service Reserve Account if determined necessary in accordance herewith; and (v) payment of costs of issuance of the Series 2007 Bonds, including the premiums for a Bond Insurance Policy and Reserve Account Credit Facility if it is determined necessary to obtain such Bond Insurance Policy and Reserve Account Credit Facility in accordance herewith.

The text of the Series 2007 Bonds shall be substantially in the form set forth in Exhibit A to the Bond Resolution. The Chairperson of the County Commission or, in her absence, the Vice Chair or, in his absence, any other member of the County Commission, is hereby authorized and directed to execute, and the Clerk or any Deputy Clerk to attest, the Series 2007 Bonds, substantially in the form set forth in Exhibit A to the Bond Resolution, with such modifications, insertions and deletions as may be approved, in consultation with the County Administrator, by the Chairperson of the

County Commission or, in her absence, the Vice Chair or, in his absence, any other member of the County Commission.

The proceeds received upon issuance and sale of the Series 2007 Bonds shall be applied as set forth below. The specific amounts to be deposited to each of the funds and accounts created under the Bond Resolution and herein shall be set forth in a certificate executed by the Chairperson (or any member of the County Commission in the absence of the Chairperson) and delivered at the time of issuance of the Series 2007 Bonds. Such certificate shall also set forth the redemption date for not less than all of the 2006 Notes, which redemption date shall not be later than ninety (90) days after the date of issuance of the Series 2007 Bonds (the "Redemption Date"). The County Administrator and/or the County's Debt Manager is hereby authorized and directed to provide written notice of the Redemption Date and redemption of the 2006 Notes to the holder or holders of the 2006 Notes at least ten business days prior to the Redemption Date, as required by the Bond Anticipation Note Resolution.

(a) The accrued interest, if any, derived from the sale of the Series 2007 Bonds shall be deposited into the Principal and Interest Account of the Sinking Fund and used for the purpose of paying a part of the first interest payable on the Series 2007 Bonds on the first Interest Payment Date after the Date of Issue.

(b) An amount of the proceeds of the Series 2007 Bonds, as specified in the certificate referred to above, which shall be sufficient to pay the principal of the 2006 Notes and interest accrued thereon through the Redemption Date, shall be held in a special account in the Sinking Fund established under the Bond Resolution designated the "Series 2006 Notes Redemption Fund" and shall be applied to pay the principal of the 2006 Notes and accrued interest thereon on the Redemption Date.

(c) An amount of the proceeds of the Series 2007 Bonds, as specified in the certificate referred to above, shall be deposited to the Scripps Grant Account of the Construction Fund established pursuant to the Bond Resolution, and shall be applied, together with amounts already on deposit therein, to fund a grant to Scripps to enable Scripps to pay a portion of the costs of acquiring, constructing, improving and equipping the Permanent Facilities to be developed by Scripps pursuant to, and in accordance with, the Permanent Facilities Development Addendum to the Grant Agreement.

(d) An amount of the proceeds of the Series 2007 Bonds, as specified in the certificate referred to above, shall be deposited to an account in the Construction Fund established pursuant to the Bond Resolution, which is hereby created and designated as the "Series 2007 Account," and shall be applied to pay all or a portion of the costs of the Briger Obligations in accordance with the Bond Resolution.

(e) If it is determined in accordance herewith to (i) fund the Debt Service Reserve Account; and (ii) fund such Debt Service Reserve Account, all or in part, with cash, rather than a Reserve Account Credit Facility, an amount of the proceeds of the Series 2007 Bonds, as specified in the certificate referred to above, shall be deposited to the Debt Service Reserve Account so that the amount on deposit therein is equal to the Debt Service Reserve Requirement at the time of issuance of the Series 2007 Bonds. The certificate referred to above may establish a separate subaccount in the Debt Service Reserve Account for the Series 2007 Bonds, to which cash or a Reserve Account Credit Facility, if applicable, may be deposited.

(f) The balance of the proceeds of the Series 2007 Bonds shall be deposited to a separate account in the Cost of Issuance Fund established pursuant to the Bond Resolution, which account is hereby created and designated as the "Series 2007 Cost of Issuance Account." Amounts representing the premiums for a Reserve Account Credit Facility and Bond Insurance Policy, if applicable, may be delivered directly to the Bond Insurer providing the same. Any amounts remaining on deposit in the Series 2007 Bonds Cost of Issuance Account after payment of costs of issuance of the Series 2007 Bonds shall be transferred to the Principal and Interest Account of the Sinking Fund and applied for the purposes set forth in the Bond Resolution.

**SECTION 3. DESCRIPTION OF THE SERIES 2007 BONDS.** The Series 2007 Bonds shall be issued in the form of fully registered Series 2007 Bonds and shall be in Authorized Denominations. Subject to the provisions of Section 4 hereof, the Purchase Agreement shall specify the initial aggregate principal amount of the Series 2007 Bonds, the dated date of the Series 2007 Bonds, whether the Series 2007 Bonds are issued as serial or term bonds or a combination of both, the maturity dates of the Series 2007 Bonds, the interest rates on the Series 2007 Bonds (which shall not exceed the Maximum Interest Rate) and the optional redemption, mandatory sinking fund redemption provisions, if any, and extraordinary mandatory redemption provisions, if any, of the Series 2007 Bonds. The Series 2007 Bonds shall be registered under the Book-Entry System and the payment of principal of, premium, if any, and interest on the Series 2007 Bonds shall be payable in the manner required by the Securities Depository. The Blanket Issuer Letter of Representations dated May 11, 1995, to evidence a Book-Entry System of registration with respect to certain of the County's bonds previously filed with The Depository Trust Company shall be applicable to the Series 2007 Bonds.

**SECTION 4. SALE OF THE SERIES 2007 BONDS.** The Board hereby finds that, based on present market conditions, the volatility of interest rates and the recommendation of the County's financial advisor, it would be in the best interest of the County that the Series 2007 Bonds be sold on a negotiated basis. The Series 2007 Bonds shall be sold to the Underwriters upon the terms and conditions set forth in the Purchase Agreement. The Purchase Agreement, substantially in the form annexed hereto as Exhibit A, is hereby approved, with such insertions, deletions, modifications

and changes as may be approved by the County Administrator and Debt Manager, upon the advice of the County's financial advisor, and upon such approval, the Chairperson (or any member of the County Commission in the absence of the Chairperson) is hereby authorized and directed to execute, and the Clerk is hereby authorized and directed to attest, the Purchase Agreement and accept the Disclosure and Truth-in-Bonding Statements to be provided by the Underwriters pursuant to Section 218.385, Florida Statutes; provided, however, such Purchase Agreement shall provide that: (i) the aggregate principal amount of the Series 2007 Bonds shall not exceed One Hundred Four Million Dollars (\$104,000,000); (ii) the final maturity of the Series 2007 Bonds shall not be later than approximately thirty (30) years after the issuance of the Series 2007 Bonds; (iii) the per annum true interest rate on the Series 2007 Bonds shall not exceed six percent (6.00%) per annum; (iv) the price (exclusive of original issue discount) at which the Series 2007 Bonds shall be sold to the Underwriters shall not be less than ninety-eight percent (98%) of the amount for which the Series 2007 Bonds are initially offered to the public as reflected in the Official Statement referred to in Section 5 hereof; and (v) the Series 2007 Bonds shall be subject to optional redemption, which optional redemption period may commence at any time on or after approximately five years from the date of issuance of the Series 2007 Bonds, but no later than approximately ten (10) years from the date of issuance of the Series 2007 Bonds, at a redemption price no greater than 101% of the par amount of the Series 2007 Bonds to be redeemed, with the first optional redemption date for the Series 2007 Bonds being the date set forth in the Purchase Contract that is determined to be in the best interests of the County by the County Administrator, in consultation with the County's financial advisor. The Purchase Agreement shall also set forth the information regarding the Series 2007 Bonds specified elsewhere in this Resolution. The execution and delivery of the Purchase Agreement shall constitute conclusive evidence of the approval thereof. The Rule 15(c)2-12 undertaking provisions of Section 12 of Article III of the Bond Resolution shall apply to the Series 2007 Bonds.

**SECTION 5. PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT.** The Preliminary Official Statement relating to the Series 2007 Bonds, in substantially the form submitted at this meeting and attached hereto as Exhibit B (the "Preliminary Official Statement"), is hereby approved with respect to the information therein contained. The printing, distribution and use of the Preliminary Official Statement in connection with the public offering for sale of the Series 2007 Bonds is hereby authorized and ratified. Either of the County Administrator or Debt Manager is hereby authorized to execute a certificate deeming the Preliminary Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended. The County Administrator or Debt Manager is hereby authorized to cause a final Official Statement to be prepared. The final Official Statement shall be substantially in the form of the Preliminary Official Statement, with such changes as necessary to conform the details of the Series 2007 Bonds and the requirements of the Purchase Agreement and such other insertions, modifications and changes as may be approved by the County Administrator and Debt Manager, upon the advice of the County's financial advisor and Bond Counsel. The Chairperson (or any member of the

County Commission in the absence of the Chairperson) is hereby authorized to execute a final Official Statement to be dated the date of execution of the Purchase Agreement, and, upon such execution, to deliver the same to the Underwriter for use by them in connection with the sale and distribution of the Series 2007 Bonds. The execution and delivery of the final Official Statement by the Chairperson (or any member of the County Commission in the absence of the Chairperson) shall constitute conclusive evidence of the approval thereof. The County hereby authorizes the final Official Statement and the information contained therein to be used by the Underwriters in connection with the offering and sale of the Series 2007 Bonds.

**SECTION 6. MATTERS RELATING TO CREDIT ENHANCEMENT.** The County Administrator and Debt Manager, upon advice of the County's financial advisor that, in order to sell the Series 2007 Bonds or maximize debt service savings, it is necessary to (i) obtain a Bond Insurance Policy securing the Series 2007 Bonds and/or (ii) fund the Debt Service Reserve Account so that the amount on deposit therein is equal to the Debt Service Reserve Requirement, are authorized to approve such action as is recommended by the financial advisor. Assuming the Debt Service Reserve Account is to be funded, the County Administrator and Debt Manager, upon advice of the County's financial advisor, are authorized to obtain a Reserve Account Credit Facility to satisfy the Debt Service Reserve Requirement, in whole or in part. The payment of the applicable premiums in the event it is determined to obtain a Bond Insurance Policy and/or Reserve Account Credit Facility is hereby authorized. The decision whether or not to fund the Debt Service Reserve Account or obtain a (a) Bond Insurance Policy, (b) Reserve Account Credit Facility and/or (c) Bond Insurance Policy shall be evidenced in the Purchase Agreement. Any such Credit Facility shall meet the requirements of the Bond Resolution, including Section 7 of Article III of the Bond Resolution. To the extent necessary to evidence the requirements of any Credit Facility Provider, the Chairperson (or any member of the County Commission in the absence of the Chairperson), in consultation with the County's financial advisor and Bond Counsel, is hereby authorized and directed to execute an agreement or agreements with such Credit Facility Provider setting forth such requirements. The Clerk is authorized and directed to attest such agreement. The execution and delivery of any such agreement by the Chairperson (or any member of the County Commission in the absence of the Chairperson) shall constitute conclusive evidence of the approval thereof. Nothing contained herein shall require the County to obtain a Bond Insurance Policy or to fund the Debt Service Reserve Account with respect to the Series 2007 Bonds.

**SECTION 7: APPOINTMENT OF PAYING AGENT AND REGISTRAR; COMPENSATION, EXPENSES AND ADVANCES.** Wells Fargo Bank, National Association is hereby appointed as Paying Agent and Registrar with respect to the Series 2007 Bonds. By the acceptance of such appointment, the Paying Agent and Registrar agree to comply with the terms of the Bond Resolution, this Resolution, the Bond Insurance Policy, if any, and Reserve Account Credit Facility, if any, applicable to it. The Paying Agent and Registrar agree to provide to the Credit Facility Provider, if any, copies of all notices and reports relating to the County or the Series 2007 Bonds received by it or which either is required to be sent to the County or the registered

owners of the Series 2007 Bonds.

The Paying Agent and the Registrar, pursuant to the terms of the Bond Resolution and this Resolution, shall be entitled to reasonable compensation for their services rendered under the Bond Resolution and hereunder (not limited by any provision of law in regard to the compensation of the trustee of an express trust) and to reimbursement for their actual out-of-pocket expenses (including reasonable counsel fees) reasonably incurred in connection therewith except as a result of their negligence or willful misconduct.

To the extent necessary to evidence the rights, duties and obligations of the Paying Agent and Registrar, the Chairperson (or any member of the County Commission in the absence of the Chairperson), in consultation with the County's financial advisor and Bond Counsel, is hereby authorized and directed to execute an agreement or agreements with the Paying Agent and Registrar setting forth such rights, duties and obligations. The Clerk is authorized and directed to attest such agreement. The execution and delivery of any such agreement by the Chairperson (or any member of the County Commission in the absence of the Chairperson) shall constitute conclusive evidence of the approval thereof.

**SECTION 8. FURTHER AUTHORIZATIONS.** The Chairperson of the County Commission, any other member of the Board, the Clerk or any Deputy Clerk, the County Administrator and the Debt Manager, and any other authorized official of the County, be, and each of them is hereby, authorized and directed to execute and deliver any and all documents and instruments, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Bond Resolution and this Resolution.

**SECTION 9. EFFECTIVE DATE.** That this Resolution shall take effect upon its passage in the manner provided by law.

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

- Commissioner Addie L. Greene, Chairperson -
- Commissioner Jeff Koons, Vice Chair -
- Commissioner Karen T. Marcus -
- Commissioner Warren H. Newell -
- Commissioner Mary McCarty -
- Commissioner Burt Aaronson -
- Commissioner Jess R. Santamaria -

The Chairperson thereupon declared the Resolution duly passed and adopted

this 10th day of July, 2007.

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



**EXHIBIT A**

**PURCHASE AGREEMENT**

**EXHIBIT B**

**PRELIMINARY OFFICIAL STATEMENT**