



**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2006	2007	2008	2009	2010
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	(\$10,000)	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<b>(\$10,000)</b>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes \_\_\_\_\_ No X

Budget Account No.: Fund \_\_\_\_\_ Department \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_

Reporting Category \_\_\_\_\_

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

**C. Departmental Fiscal Review: All costs to be borne by Applicant. No fiscal impact to Palm Beach County. Palm Beach County will receive \$10,000 in industrial development revenue bond fees as well as legal fees for services rendered in reviewing this project.** (Cost)

**III. REVIEW COMMENTS**

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

*[Handwritten signatures and dates]*  
 OFMB ON 06/25/07  
 Contract Development and Control 7/12/07  
 Legal Sufficiency: 6/28/07  
 Paul F. [Signature] 6/25/07  
 Assistant County Attorney

**C. Other Department Review:**

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

**THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.**  
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**Galaxy Aviation of Palm Beach  
Industrial Development Bond Application  
March 2007**

1. Company Name: Galaxy Aviation of Palm Beach, Inc.  
Parent Name: Galaxy Aviation, Inc. ("Galaxy")  
Principal Operating Officers: Mark Wantshouse, President  
Michael Faren, Secretary and Treasurer  
Jonathan Miller, Executive Vice President

Address: 3800 Southern Boulevard  
West Palm Beach, FL 33406

Phone Number: 561-683-4121

2. Total Amount of Bond Issue: \$9,000,000.00

3. Description of Company & Background: Galaxy Aviation of Palm Beach, Inc. (the "Company") commenced operations in September 1997 and operates as a fixed base operator ("FBO") at the Palm Beach International Airport in Palm Beach County, Florida. The Company conducts retail fuel sales and refueling operations, which service principally corporate and private aircraft, and to some extent commercial airlines; acts as landlord for office, aircraft tie-down and hangar space tenants. The Company operates refueling vehicles and maintains fuel storage tanks as required to support into-plane and fuel sales activities. The property on which the operation is conducted is leased from Palm Beach County. Under a previous bond issue, the Company successfully constructed its main operating facilities on other property at the Airport.

4. Uses of Proceeds:

Buildings (incl. design and engineering)	\$5,500,000.00
Site work	1,500,000.00
Engineering	125,000.00
Construction Period Interest	400,000.00
Other Fees	<u>1,475,000.00</u>
Total Proceeds	\$9,000,000.00

Other Fees include project related soft costs, legal fees, letter of credit, underwriting fees and development fees and expenses

5. Pro Forma Financial Statements: See Exhibit "A"

6. Contribution to Local Economy: This project will enhance the local economy by providing new jobs, capital improvements to the Palm Beach International Airport, increased tax revenue from fuel sales and hospitality taxes generated by general aviation customers and their staff.

7. Security for Bonds: The bonds will be payable from revenues of the Project and secured by a direct pay letter of credit from a national or regional bank. The Company expects to receive a commitment from Citibank to issue its irrevocable direct pay letter of credit to secure the bonds. Citibank currently provides the letter of credit on the County's bonds that have been previously issued for the Company.
8. Method of Sale: The bonds will be sold on a negotiated basis by the underwriter of the issue.
9. Conventional Financing Statements: See Exhibit "B"
10. General Counsel: Greenberg Traurig, P.A.  
Attn: Stephen Sanford  
777 S. Flagler Drive, Suite 300 East  
West Palm Beach, FL 33401  
561-650-7945
11. Financial Responsibility: Based on the Pro forma financial statements attached as Exhibit "A," The Company will be able to meet all of its financial obligations under the bond issue. Further, Galaxy and its affiliates currently operate two FBO's in Palm Beach County, one in Martin County, one in Orange County and one in St. John's County and have consistently maintained their facilities in a first-class manner at their own expense. The facilities financed through bond issue will be maintained in the same manner.
12. Impact of Project: The existing infrastructure at the Palm Beach International Airport is sufficient to accommodate all of the proposed development and its impacts. Water and Sewer facilities will be constructed for the project and will connect into the existing public facilities. The proposed project is not expected to significantly increase the population or heavily impact any of the facilities which currently exist to service the project.
13. Bond Counsel: Galaxy has retained the firm Greenberg Traurig, P.A., which is listed in the Red Book.

**GALAXY AVIATION OF PALM BEACH, INC.**

By: \_\_\_\_\_

Name: Jonathan P. Miller

Title: Executive Vice President

Date: 3/21/07

**Galaxy Aviation Of Palm Beach**  
**Financial Projections Including Hangar G & H**

Revenue	Year 1	Year 2	Year 3	Year 4	Year 5
Line - Jet Fuel	\$13,800,000	\$14,490,000	\$15,214,500	\$15,975,225	\$16,773,986
Line - Avgas	\$770,000	\$785,400	\$801,108	\$817,130	\$833,473
Prist	\$125,000	\$131,250	\$137,813	\$144,703	\$151,938
Military Jet Fuel	\$900,000	\$945,000	\$992,250	\$1,041,863	\$1,093,956
Into Plane	\$2,031,000	\$2,132,550	\$2,239,178	\$2,351,136	\$2,468,693
Oil	\$4,000	\$4,200	\$4,410	\$4,631	\$4,862
Aircraft Wash	\$30,000	\$31,500	\$33,075	\$34,729	\$36,465
Other Services	\$250,000	\$262,500	\$275,625	\$289,406	\$303,877
Catering	\$240,000	\$252,000	\$264,600	\$277,830	\$291,722
Landing & Takeoff	\$10,000	\$10,500	\$10,815	\$11,139	\$11,474
Hangars & Parking	\$2,976,000	\$3,080,160	\$3,187,966	\$3,299,544	\$3,415,028
Operations/G&A Misc Income	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
<b>Total Revenue</b>	<b>\$21,246,000</b>	<b>\$22,238,360</b>	<b>\$23,278,038</b>	<b>\$24,367,536</b>	<b>\$25,509,279</b>
<b>Cost of Sales</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Line - Jet Fuel	(\$8,004,000)	(\$8,404,200)	(\$8,824,410)	(\$9,265,631)	(\$9,728,912)
Line - Avgas	(\$492,800)	(\$518,364)	(\$528,731)	(\$539,306)	(\$550,092)
Prist	(\$25,000)	(\$26,250)	(\$27,563)	(\$28,941)	(\$30,388)
Military Jet Fuel	(\$774,000)	(\$812,700)	(\$853,335)	(\$896,002)	(\$940,802)
Oil	(\$3,200)	(\$3,360)	(\$3,528)	(\$3,704)	(\$3,890)
Aircraft Wash	(\$24,000)	(\$25,200)	(\$26,460)	(\$27,783)	(\$29,172)
Catering	(\$180,000)	(\$189,000)	(\$198,450)	(\$208,373)	(\$218,791)
Landing & Takeoff	(\$9,000)	(\$9,450)	(\$9,734)	(\$10,026)	(\$10,326)
Fuel Flowage Fees	(\$450,000)	(\$472,500)	(\$496,123)	(\$520,931)	(\$546,978)
Hangar and Parking Rent Allocation	\$0	\$0	\$0	\$0	\$0
<b>Total Cost of Sales</b>	<b>(\$9,962,000)</b>	<b>(\$10,461,024)</b>	<b>(\$10,968,335)</b>	<b>(\$11,500,695)</b>	<b>(\$12,059,351)</b>
<b>Gross Margin</b>	<b>\$11,284,000</b>	<b>\$11,777,336</b>	<b>\$12,309,702</b>	<b>\$12,866,841</b>	<b>\$13,449,929</b>
<b>Operating Expenses</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Advertising	(\$20,000)	(\$20,600)	(\$21,218)	(\$21,855)	(\$22,510)
Auditing Expense/Accounting	(\$58,000)	(\$59,740)	(\$61,532)	(\$63,378)	(\$65,280)
Vehicle Expense	(\$55,000)	(\$56,650)	(\$58,350)	(\$60,100)	(\$61,903)
Bank Charges	(\$200,000)	(\$180,000)	(\$160,000)	(\$140,000)	(\$120,000)
Breakage/Theft	(\$15,000)	(\$15,450)	(\$15,914)	(\$16,391)	(\$16,883)
Charge Acct Fees	(\$361,182)	(\$378,052)	(\$395,727)	(\$414,248)	(\$433,658)
Cleaning Supplies	(\$18,000)	(\$18,540)	(\$19,096)	(\$19,669)	(\$20,259)
Contributions	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)
Customer Amenities	(\$65,000)	(\$68,250)	(\$71,663)	(\$75,246)	(\$79,008)
Data Processing	(\$30,000)	(\$30,900)	(\$31,827)	(\$32,782)	(\$33,765)
Delivery/Postage	(\$3,000)	(\$3,090)	(\$3,183)	(\$3,278)	(\$3,377)
Drug Testing	(\$1,800)	(\$1,854)	(\$1,910)	(\$1,967)	(\$2,026)
Dues and Subscriptions	(\$8,000)	(\$8,240)	(\$8,487)	(\$8,742)	(\$9,004)
Recruitment/Entertainment/Promotions	(\$40,000)	(\$42,000)	(\$44,100)	(\$46,305)	(\$48,620)
Equipment/Fuel Truck Rental	(\$70,000)	(\$72,100)	(\$74,263)	(\$76,491)	(\$78,786)
Flight Track and Weather Machine Expense	(\$12,000)	(\$12,360)	(\$12,731)	(\$13,113)	(\$13,506)
Insurance	(\$620,000)	(\$651,000)	(\$683,550)	(\$717,728)	(\$753,614)
Legal & Professional Fees	(\$180,000)	(\$185,400)	(\$190,962)	(\$196,691)	(\$202,592)
Licenses	(\$3,000)	(\$3,090)	(\$3,183)	(\$3,278)	(\$3,377)
Management Fees	(\$1,100,000)	(\$1,133,000)	(\$1,166,990)	(\$1,202,000)	(\$1,238,060)
Meetings & Seminars	(\$10,000)	(\$10,300)	(\$10,609)	(\$10,927)	(\$11,255)
Training	(\$25,000)	(\$25,750)	(\$26,523)	(\$27,318)	(\$28,138)
Office Supplies/Printing/Stationary	(\$50,000)	(\$51,500)	(\$53,045)	(\$54,636)	(\$56,275)
Payroll Ops/Admin/Marketing & Fringes	(\$900,000)	(\$927,000)	(\$954,810)	(\$983,454)	(\$1,012,958)
Line/Counter Payroll & Fringes	(\$1,600,000)	(\$1,648,000)	(\$1,697,440)	(\$1,748,363)	(\$1,800,814)
Galaxy Rent	(\$780,000)	(\$670,000)	(\$660,000)	(\$660,000)	(\$660,000)
Equipment Repair & Maint/Tools	(\$150,000)	(\$154,500)	(\$159,135)	(\$163,909)	(\$168,826)
Telephone	(\$30,000)	(\$30,900)	(\$31,827)	(\$32,782)	(\$33,765)
Travel	(\$30,000)	(\$30,900)	(\$31,827)	(\$32,782)	(\$33,765)
Uniforms	(\$22,000)	(\$22,660)	(\$23,340)	(\$24,040)	(\$24,761)
Miscellaneous	(\$5,000)	(\$5,150)	(\$5,305)	(\$5,464)	(\$5,628)
Trash Disposal	(\$10,000)	(\$10,300)	(\$10,609)	(\$10,927)	(\$11,255)
Utilities	(\$300,000)	(\$309,000)	(\$318,270)	(\$327,818)	(\$337,653)
<b>Total Operating Expenses</b>	<b>(\$6,776,982)</b>	<b>(\$6,841,276)</b>	<b>(\$7,012,422)</b>	<b>(\$7,200,681)</b>	<b>(\$7,396,319)</b>
<b>EBITDA (Earnings Before Interest, Taxes, Depreciation, &amp; Amortization)</b>	<b>\$4,507,018</b>	<b>\$4,936,060</b>	<b>\$5,297,280</b>	<b>\$5,666,160</b>	<b>\$6,053,610</b>
<b>ITDA</b>	<b>(\$1,265,000)</b>	<b>(\$1,243,000)</b>	<b>(\$1,220,000)</b>	<b>(\$1,197,000)</b>	<b>(\$1,175,000)</b>
<b>Net Income</b>	<b>\$3,242,018</b>	<b>\$3,693,060</b>	<b>\$4,077,280</b>	<b>\$4,469,160</b>	<b>\$4,878,610</b>

**Galaxy Aviation of Palm Beach, Inc.  
Project Eligibility Questionnaire  
March 2007**

1. Company Name: Galaxy Aviation of Palm Beach, Inc. ("Principal User")  
Address: 3800 Southern Blvd.  
West Palm Beach, FL 33406  
Phone Number: 561-683-4121
2. Form of Organization: Corporation  
Related Organization: Galaxy Aviation, Inc. (Parent)
3. S/H's or Ptnrs more than 10%: Galaxy Aviation, Inc.
4. Organization's related to S/H's: None.
5. Location of Project: 3800 Southern Blvd.  
West Palm Beach, FL 33406
6. (a) Project Site: The project site includes a five (5) acre portion of Galaxy's present leasehold at the Palm Beach International Airport.
6. (b) Buildings now On Site: No.
6. (c) Present Use of Site: The project site is vacant land zoned for aviation use.
6. (d) Present Owner of Site: The project is leased to Galaxy Aviation by the Palm Beach County Department of Airports.
7. N/A
8. Option to Purchase Site: No.
9. Contract to Purchase Site: No.
10. Principal User Now Leases Site: Yes.
11. Relationship between User & Lessor: None.
12. Acquisition of Existing Bldgs: No.

13. Construction of New Buildings: Yes.

Hangar G	29,000 sq. ft.
Hangar H	<u>29,000 sq. ft.</u>
Total	58,000 sq. ft.

14. Additions or Renovations: No.

15. Use of Buildings: The facilities will be used for storage of aircraft and office space for the general aviation community.

16. Space Leased to 3<sup>rd</sup> Parties: All of the proposed space will be leased to third parties desiring to store aircraft on a long or short term basis.

17. Has Const. Work Begun: No.

18. N/A

19. N/A

20. Previous Tax Exempt Financing: Yes.

21. Uses of Proceeds:

Buildings (incl. design and engineering)	\$5,500,000.00
Site work	1,500,000.00
Engineering	125,000.00
Construction Period Interest	400,000.00
Other Fees	<u>1,475,000.00</u>
Total Proceeds	\$9,000,000.00

Other Fees include soft costs, legal fees, letter of credit fees, underwriting fees and development fees and expenses.

22. Expenses Paid by Applicant: Permit, Design and Engineering Fees totaling \$72,277.93.

23. Expenses Incurred but not paid: Engineering Fees of \$9,000.00.


24. Working Capital Included: No.

25. Repayment of Existing Debt: No.

- |   |  |  |
|---|--|--|
| 26. Capital Expenditures for this Project*:               | <u>Prior 3 Years</u>                                   | <u>Next 3 Years</u>                          |
| Buildings & Equipment:                                    | \$0.00   | \$9,000,000.00<br>See Uses of Proceeds       |
| 27. Capital Expenditures for Other Palm Beach Facilities: | <u>Prior 3 Years</u>                                   | <u>Next 3 Years</u>                          |
| Buildings & Equipment                                     | 2,000,000.00   | 1,000,000.00                                 |
| 28. No. of Employees At Completion:                       | 45   |  |
| 29. Specialized Training Required:                        | Yes, training will be provided and paid for by Galaxy. |  |
| 30. Utility Needs:  | Electric   | Underground service to be provided by FPL.   |
|   | Sewer  | Connect to existing water and sewer          |
|   | Water  | Main to be completed as part of the project. |
| 31. Emissions:  | None.  |  |
| 32. Sewage or Discharge:                                  | Connect to existing sewer system.                      |  |

\* The Project is not a small issue industrial revenue bond and is not subject to the \$10 million capital expenditure limitation.

**GALAXY AVIATION OF PALM BEACH, INC.**

By:   
Name: Jonathan P. Miller  
Title: Executive Vice President  
Date: 3/21/07



# Business Development Board

PALM BEACH COUNTY'S BUSINESS RESOURCE

## Partners in Progress

Palm Beach County Board of County Commissioners

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Plastridge Insurance Agency  
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## Corporate Members

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South Florida Business Journal  
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West Palm Beach Marriott

May 3, 2007

Mr. Paul King  
Assistant County Attorney  
P.O. Box 1980  
West Palm Beach, FL 33402

RE: Industrial Revenue Bond application for Galaxy Aviation

Dear Paul:

On Thursday, May 3, 2007, the Industrial Revenue Bond Committee of the Business Development Board met to discuss the above mentioned application.

The IRB Committee feels Galaxy Aviation's expansion project will have a positive economic impact on Palm Beach County. The committee recommends that you proceed with the review of the application, subject to a letter of credit acceptable to Palm Beach County office of Management and Budget.

Sincerely,

  
Kelly Smallridge  
President

cc:  
Stephen Sanford, Esq. Greenberg Traurig

RECEIVED  
MAY 7 - 2007  
P.B. COUNTY ATTORNEY

April 24, 2007

To: Paul King, Assistant County Attorney

From: John A. Long, County Debt Manager



**SUBJECT: Industrial Development Revenue Bond Application  
Galaxy Aviation of Palm Beach, Inc.**

We are recommending that the Board adopt a resolution expressing the County's preliminary approval and authorization for the issuance of not to exceed \$9,000,000 Revenue Bonds, Series 2007, subject to the applicant receiving a direct pay letter of credit issued by financial institution with "A-1+" or better rating by S&P or its equivalent by another rating service guaranteeing the payment of principal and interest on the bonds.

The bonds shall be payable solely from the revenues of the Project and neither the taxing power nor the faith and credit of the County nor any County funds shall be pledged to pay the principal of, redemption premium, if any, and interest on the bonds.

RESOLUTION NO. R-2007-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE NEGOTIATED SALE OF ITS PALM BEACH COUNTY, FLORIDA, VARIABLE RATE DEMAND AIRPORT REVENUE BONDS (GALAXY AVIATION PROJECT - SERIES 2007) (THE "BONDS"), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$9,000,000; APPROVING THE ISSUANCE OF THE BONDS WITHIN THE MEANING OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; DETERMINING CERTAIN DETAILS OF SAID BONDS; APPROVING THE FORMS OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AND AGENCY AGREEMENT, A SECOND AMENDMENT TO LEASE AGREEMENT, A BOND PURCHASE AGREEMENT AND AN ASSIGNMENT AGREEMENT; APPROVING THE FORM OF THE OFFERING MEMORANDUM FOR THE BONDS; APPROVING THE FORM OF THE LETTER OF CREDIT TO BE ISSUED BY CITIBANK, N.A.; APPROVING THE UNDERWRITER, THE REMARKETING AGENT, THE TRUSTEE, THE PAYING AGENT AND THE TENDER AGENT; AUTHORIZING THE REGISTRATION OF THE BONDS UNDER A BOOK-ENTRY SYSTEM; AUTHORIZING THE PROPER OFFICERS OF THE COUNTY TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE AS TO THE SALE AND DELIVERY OF THE BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, Palm Beach County, Florida, a political subdivision of the State of Florida (the "County"), owns and operates the Palm Beach International Airport (the "Airport") through its Department of Airports; and

**WHEREAS**, the County, pursuant to a certain Lease Agreement, as amended and restated by that certain First Amendment to Lease Agreement effective March 1, 2005 (herein, the "Existing Lease"), leases certain ground area and facilities at the Airport to Galaxy Aviation of Palm Beach, Inc., a Florida corporation (herein, the "Company"); and

**WHEREAS**, the Company is a fixed base operator at the Airport providing various aircraft services to the general public at the Airport; and

**WHEREAS**, the Company has submitted an application requesting that the County issue airport revenue bonds to finance the costs of expansion of certain facilities used by the Company in its operations at the Airport (the "Project"); and

**WHEREAS**, as a result of the issuance of the Bonds (as defined below), the County and the Company have agreed to amend, supplement and restate certain provisions of the Existing

Lease pursuant to the provisions of the Second Amendment to Lease Agreement substantially in the form attached hereto as Exhibit A (herein, the "Lease Amendment"); and

**WHEREAS**, the Existing Lease, together with the Lease Amendment is herein referred to as the "Lease"; and

**WHEREAS**, the Board of County Commissioners of Palm Beach County, Florida, as the governing body of the County (the "Board"), hereby approves the application for financing and hereby agrees, pursuant to this Resolution, to authorize the issuance of not exceeding \$9,000,000 Palm Beach County, Florida Variable Rate Demand Revenue Bonds (Galaxy Aviation Project - Series 2007) (the "Bonds"); and

**WHEREAS**, there was published, at least fourteen (14) days prior to the Public Hearing (as defined below), a notice of such hearing, proof of publication of such notice being attached hereto as Exhibit B; and

**WHEREAS**, on this date, the Board held a public hearing (the "Public Hearing") regarding the proposed financing of the Project through the issuance by the County of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, it is intended that this Resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code;

**WHEREAS**, the Board has been informed by its Bond Counsel, Greenberg Traurig, P.A., that in order to issue the Bonds on a tax-exempt basis, the Project must be owned by the County; and

**WHEREAS**, pursuant to the terms and provisions of that certain Trust and Agency Agreement, expected to be dated as of August 1, 2007 (herein, the "Trust Agreement"), in substantially the form attached hereto as Exhibit C, by and among the County, the Company, U.S. Bank National Association, as trustee (the "Trustee"), and Citibank, N.A. (the "Bank") as

the issuer of the Letter of Credit (as herein defined), the County will appoint the Company its agent to use the proceeds of the Bonds to acquire and construct the Project; and

**WHEREAS**, pursuant to the terms and provisions of the Lease, the County, as the owner of the Project, will lease the Project to the Company to be used in its operations; and

**WHEREAS**, pursuant to the terms and provisions of that Assignment Agreement, expected to be dated as of August 1, 2007 (herein, the "Assignment Agreement"), in substantially the form attached hereto as Exhibit D, by and between the County and the Company, the County will assign its rights to receive certain payments required to be made by the Company under the Lease to the Trustee to be used, in part, to satisfy the Company's obligations under the Trust Agreement; and

**WHEREAS**, in addition to the Lease Amendment, proof of publication of the Public Hearing, the Trust Agreement, the Assignment Agreement and the Loan Agreement, there has been prepared and submitted to the Board the following:

1. The form of the Irrevocable Direct-Pay Letter of Credit in substantially the form attached hereto as Exhibit E, issued by the Bank in favor of the Trustee;
2. Bond Purchase Agreement in substantially the form attached hereto as Exhibit F, by and among the Issuer, the Company, and B.C. Ziegler and Company, as underwriter (herein, the "Purchase Contract");
3. Draft Offering Memorandum to be used in connection with the offering and sale of the Bonds in substantially the form attached hereto as Exhibit G; and

**WHEREAS**, it is intended by the Board that this Resolution constitute the official intent of the County with respect to the reimbursement of certain capital expenditures incurred or to be incurred by the Company with respect to the Project prior to the issuance of the Bonds.

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

**SECTION 1. RECITALS.** That the recitals set forth above are adopted by the Board as the findings of the County and are incorporated herein.

**SECTION 2. DEFINITIONS.** That all capitalized terms used in this Resolution not otherwise defined shall have the meanings ascribed to such terms in the Trust Agreement, unless the context clearly indicates otherwise.

**SECTION 3. TEFRA APPROVAL.** The Bonds Are Hereby approved within the meaning of Section 147(F) of the Code.

**SECTION 4. LEASE AMENDMENT.** That the form, terms and provisions of the New Lease, substantially in the form attached hereto as Exhibit A, as submitted to this meeting, be and the same are hereby approved and accepted. Either the Chairperson, any other member of the Board, the County Administrator or the Debt Manager, is hereby authorized and directed to execute and deliver the Lease Amendment on behalf of the County in substantially the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable for carrying out the purposes thereof as may be approved by the Department of Airports and the County Attorney, the execution of said Lease Amendment being conclusive evidence of such approval.

**SECTION 5. PURPOSES AND BOND DESIGNATION.** That the County hereby authorizes and determines at this time (i) to issue not exceeding \$9,000,000 in the aggregate principal amount of its Bonds for the purpose of financing all or a portion of the costs of the Project, (ii) to pay a portion of the costs of issuing the Bonds and (iv) to designate such Bonds as its "Variable Rate Demand Revenue Bonds (Galaxy Aviation Project - Series 2007 A)."

**SECTION 6. DESCRIPTION OF THE BONDS.** The Bonds shall be dated the date of issuance, initially shall bear interest at the Short Term Rate determined by B.C. Ziegler and Company, as the remarketing agent (the "Remarketing Agent") payable on the first day of each calendar month, expected to commence on September 1, 2007 and expected to mature not later than August 1, 2027, subject to earlier redemption. The Bonds shall be subject to optional, extraordinary optional and mandatory redemption and optional and mandatory tender, all as provided in the Trust Agreement.

**SECTION 7. NEGOTIATED SALE.** That the Board hereby finds that, based on present market conditions, the volatility of interest rates and the nature of the financing, it would be in the best interest of the County that the Bonds be sold on a negotiated basis.

**SECTION 8. TRUST AGREEMENT.** That the form, terms and provisions of the Trust Agreement, substantially in the form attached hereto as Exhibit C, as submitted to this meeting, be and the same are hereby approved and accepted. Either the Chairperson, any other member of the Board, the County Administrator or the Debt Manager, is hereby authorized and directed to execute and deliver the Trust Agreement on behalf of the County in substantially the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable for carrying out the purposes thereof as may be approved by the Debt Manager and Bond Counsel to the County, the execution of said Trust Agreement being conclusive evidence of such approval.

**SECTION 9. ASSIGNMENT AGREEMENT.** That the form, terms and provisions of the Assignment Agreement, substantially in the form attached hereto as Exhibit D, as submitted to this meeting, be and the same are hereby approved and accepted. Either the Chairperson, any other member of the Board, the County Administrator or the Debt Manager, is hereby authorized and directed to execute and deliver the Assignment Agreement on behalf of the County in substantially the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable for carrying out the purposes thereof as may be approved by the Debt Manager and Bond Counsel to the County, the execution of said Assignment Agreement being conclusive evidence of such approval.

**SECTION 10. SECURITY FOR THE BONDS; LETTER OF CREDIT.** That the Bonds shall be secured and payable solely from the Trust Estate in the manner provided in the Trust Agreement and the Letter of Credit. The Bonds shall be limited obligations of the County, payable solely from the Trust Estate and the Letter of Credit or Substitute Credit Facility (unless such requirement is waived by the County in its sole discretion) and such Bonds shall never

constitute a general obligation of the County, or of the State of Florida (the "State") or any other political subdivision of the State. No property of the County is pledged for the payment of the Bonds or repayment to the Bank as a result of payments made under the Letter of Credit other than the Company's leasehold interest in the Project. The Letter of Credit to be issued by the Bank, in substantially the form attached hereto as Exhibit E, is hereby approved.

**SECTION 11. PURCHASE CONTRACT.** That the form, terms and provisions of the Purchase Contract, substantially in the form attached hereto as Exhibit F, as submitted to this meeting, be the same are hereby approved and accepted. Either the Chairperson, any other member of the Board, the County Administrator or the Debt Manager, is hereby authorized and directed to execute and deliver the Purchase Contract on behalf of the County in substantially the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable for carrying out the purposes thereof as may be approved by the Debt Manager and Bond Counsel to the County, the execution of said Purchase Contract being conclusive evidence of such approval. The disclosure statements of the Underwriter, as required by Section 218.385 of the Florida Statutes, to be delivered to the County prior to the execution of the Purchase Contract, a copy of which is attached as an exhibit to the Bond Purchase Contract, will be entered into the official records of the County.

**SECTION 12. OFFERING MEMORANDUM.** That the form, terms and provisions of the Offering Memorandum, in the form of the draft Offering Memorandum (as herein defined and subject to the other conditions set forth herein) attached hereto as Exhibit G, with such changes as are necessary to conform to the details of the Bonds and the requirements of the Bond Purchase Contract, is hereby approved. The County hereby authorizes the Offering Memorandum when in final form to be used in connection with the offering and sale of the Bonds. The Offering Memorandum may be modified in a manner not inconsistent with the substance thereof and the terms of the Bonds as shall be deemed advisable by Bond Counsel or Counsel to the County.



**SECTION 13. TRUSTEE, PAYING AGENT AND TENDER AGENT.** That U.S. Bank National Association is hereby appointed as the Trustee, the paying agent (the "Paying Agent") and tender agent (the "Tender Agent") for the Bonds.

**SECTION 14. DISCLOSURE STATEMENT.** That the County does hereby find that the Underwriter has submitted the disclosure statement and truth-in-bonding statement required by Section 218.385, Florida Statutes, copies of which will be attached to or incorporated in the Purchase Contract.

**SECTION 15. BOOK ENTRY BONDS.** That the Board hereby determines that the registration of the Bonds be by the Book Entry System of registration. 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 and previously filed with The Depository Trust Company shall be applicable to the Bonds.

**SECTION 16. UNDERWRITER AND REMARKETING AGENT.** That B.C. Ziegler and Company is hereby appointed to act as Underwriter and Remarketing Agent of the Bonds, pursuant to the Purchase Contract, the Trust Agreement and the Remarketing Agreement.

**SECTION 17. FURTHER AUTHORIZATIONS.** That the Chairperson of the Board, 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, to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

**SECTION 18. REPEALER.** That all resolutions or proceedings, or parts thereof, in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed.

**SECTION 19. EFFECTIVE DATE.** That this Resolution shall take effect upon its adoption.

The following 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. Green	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 \_\_\_\_\_ day of \_\_\_\_\_, 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: Paul F. [Signature]  
Assistant County Attorney

## LIST OF EXHIBITS

EXHIBIT A - Second Amendment to Lease Agreement

EXHIBIT B - Proof of Publication

EXHIBIT C - Trust and Agency Agreement

EXHIBIT D - Assignment Agreement

EXHIBIT E - Draft of Letter of Credit

EXHIBIT F - Bond Purchase Agreement

EXHIBIT G - Draft Offering Memorandum