

Agenda Item #: _____

For Richard L. Joranson 6/2/16
Recommended by: _____
Department Director Date

Approved By: W. Baker 6/3/16
County Administrator Date

I. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020.
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Debt Service 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 X__

Budget Account No.: _____ Fund _____ Department _____ Unit _____
Object _____ Reporting Category _____

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


The debt service payments are secured by a pledge of airport revenues.

*Debt service payments will decrease in future years; however, the amounts are not known until the bonds are sold.


C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

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

 _____ N/A
OFMB MS 5/31 2011 Contract Dev. and Control

B. Legal Sufficiency:

 6/3/14
Assistant County Attorney

C. Other Department Review:

Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

WPB 383257753v5/013000.012700

**FOURTEENTH SUPPLEMENTAL
PALM BEACH COUNTY
AIRPORT SYSTEM REVENUE
BOND RESOLUTION**

Adopted June 21, 2016

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FOURTEENTH SUPPLEMENTAL RESOLUTION

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA AMENDING AND SUPPLEMENTING PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION NO. R-84-427 ADOPTED APRIL 3, 1984, AS AMENDED IN FULL BY PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION NO. R-84-1659 ADOPTED NOVEMBER 1, 1984, AS AMENDED AND SUPPLEMENTED, TO MODIFY CERTAIN PROVISIONS OF SAID BOND RESOLUTION RELATING TO THE DEBT SERVICE RESERVE ACCOUNT ESTABLISHED THEREUNDER TO PERMIT A SERIES OF BONDS TO BE ISSUED WITH OR WITHOUT BEING SECURED BY THE DEBT SERVICE RESERVE ACCOUNT OR A SUBACCOUNT THEREIN; AUTHORIZING OTHER RELATED AND REQUIRED MATTERS AND ACTIONS; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

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

ARTICLE I AUTHORITY, DEFINITIONS AND FINDINGS

SECTION 101. Fourteenth Supplemental Resolution. This Fourteenth Supplemental Palm Beach County Airport System Revenue Bond Resolution (this "Fourteenth Supplemental Resolution") is supplemental to Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted by the Board of County Commissioners (the "Board") of Palm Beach County, Florida (the "County") on April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and supplemented, including by Palm Beach County Airport System Revenue Bond Resolution No. R89-971 adopted on June 4, 1989 (the "Fifth Supplemental Bond Resolution") and Palm Beach County Airport System Revenue Bond Resolution No. R2006-0727 adopted on April 18, 2006 (the "Thirteenth Supplemental Bond Resolution") (all of such resolutions being referred to, collectively, as the "Bond Resolution").

SECTION 102. Authority For This Fourteenth Supplemental Resolution. This Fourteenth Supplemental Resolution is adopted pursuant to and in accordance with (i) the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes and the County Charter, and other applicable provisions of law; and (ii) the Bond Resolution, including Section 1104 of the Bond Resolution.

SECTION 103. Definitions. Except as otherwise expressly provided herein, all references to specifically enumerated Articles and Sections of the Bond Resolution refer to Articles and Sections of Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and not to Articles or Sections

of any Supplemental Resolution. Except as otherwise expressly provided herein, all terms which are defined in Section 101 of the Bond Resolution shall have the same meanings when used in this Fourteenth Supplemental Resolution as given to such terms in said Section 101 of the Bond Resolution.

SECTION 104. Findings. It is hereby found and determined by the County that as of the date of adoption of this Fourteenth Supplemental Resolution:

- A. The Board has heretofore adopted the Bond Resolution.
- B. The County has issued and has Outstanding under the Bond Resolution its Airport System Revenue Bonds, Series 2006A (the "Series 2006A Bonds") and its Airport System Taxable Revenue Refunding Bonds, Series 2006B (the "Series 2006B Bonds" and collectively with the Series 2006A Bonds, the "Series 2006 Bonds"). There are currently no Bonds Outstanding under the Bond Resolution other than the Series 2006 Bonds and there is no Subordinated Indebtedness Outstanding under the Bond Resolution. The Series 2006 Bonds are insured by a Bond Insurance Policy issued by MBIA Insurance Corporation (the "Credit Facility Provider").
- C. The Bond Resolution provides that the Debt Service Reserve Account established thereunder shall secure all Series of Outstanding Bonds and that such Debt Service Reserve Account shall be funded in an amount equal to the Debt Service Reserve Requirement for all such Bonds. The Debt Service Reserve Requirement is currently satisfied by the deposit to the Debt Service Reserve Account of a Debt Service Reserve Account Insurance Policy (the "2006 Reserve Policy") issued by the Credit Facility Provider. In connection with the issuance of the Series 2006 Bonds, the County and the Credit Facility Provider entered into an Insurance Agreement (the "Insurance Agreement") and a Financial Guaranty Agreement (the "Reserve Policy Agreement"), each dated as of May 17, 2006. As permitted by the Thirteenth Supplemental Bond Resolution, the Insurance Agreement recognizes that the Credit Facility Provider is the registered Holder of all Outstanding Series 2006 Bonds for purposes of exercising all rights and privileges available to Holders of the Series 2006 Bonds and, pursuant to the Reserve Policy Agreement, the County has agreed that it will not make any amendments to the Bond Resolution without the consent of the Credit Facility Provider.
- D. The County is currently contemplating the current refunding of all or a portion of the Series 2006A Bonds through the issuance of its Airport System Revenue Refunding Bonds, Series 2016 (the "Series 2016 Bonds") to achieve present value debt service savings. The County's Co-Financial Advisors have advised the County that it may be possible to market and sell the Series 2016 Bonds without such Series 2016 Bonds being secured by the Debt Service Reserve Account. In view of the foregoing, and in order to provide more flexibility in the Bond Resolution with respect to matters relating to the Debt Service Reserve Account, the County desires to amend the Bond Resolution to (i) permit more than one Series of Outstanding Bonds to be secured by the Debt Service Reserve Account on a common basis and to establish the reserve requirement therefor in the Bond Resolution; (ii) permit a particular Series of Bonds to be secured by a segregated subaccount in the Debt Service Reserve Account securing only that Series of Bonds and to provide for the reserve requirement to be established therefor by the related Supplemental Resolution; (iii) permit a Series of Bonds to be issued without being

secured by the Debt Service Reserve Account or a subaccount therein and without a corresponding reserve requirement; and (iv) make additional amendments to the Bond Resolution to facilitate the foregoing amendments, all as more fully set forth in Article II hereof (collectively, the "Master Amendments").

E. Section 1104 of the Bond Resolution permits amendments to be made to the Bond Resolution with the unanimous consent of the Holders. The Credit Facility Provider, acting through National Public Finance Guarantee Corporation, has heretofore provided its written consent to the Master Amendments, pursuant to the provisions of the Thirteenth Supplemental Bond Resolution and the Insurance Agreement entitling the Credit Facility Provider to exercise the rights and privileges granted to the Holders of the Outstanding Series 2006 Bonds and as required by the Reserve Policy Agreement (the "Consent"). The Consent is attached hereto as Exhibit A.

F. The County now desires to provide for the Master Amendments, which will become effective upon the County filing this Fourteenth Supplemental Resolution and the Consent with the Clerk of the Board, together with the Counsel's Opinion contemplated by Section 1104 of the Bond Resolution.

SECTION 105. Fourteenth Supplemental Resolution To Constitute Contract. The provisions of this Fourteenth Supplemental Resolution, at such time as the Master Amendments become effective, shall be part of the contract of the County with the Holders of the Bonds Outstanding from time to time, and shall be deemed to be and shall constitute a contract between the County and such Holders.

ARTICLE II AMENDMENTS TO BOND RESOLUTION AND RELATED MATTERS

SECTION 201. Amendments To Bond Resolution.

The County hereby acknowledges receipt of the Consent and authorizes filing with the Clerk of the Board of this Fourteenth Supplemental Resolution, the Consent and the Counsel's Opinion relating to the Master Amendments (the "Opinion"), all as contemplated by Section 1104 of the Bond Resolution. The Opinion shall be in substantially the form attached hereto as Exhibit B. The County Administrator of the County (the "County Administrator") or her designee is hereby authorized to execute the certificate relating to the Consent required by Section 1104 of the Bond Resolution, substantially in the form attached hereto as Exhibit C (the "Consent Certificate") and to cause the Consent Certificate to be executed by Clerk of the Board as required by Section 1104 of the Bond Resolution. The execution of the Consent Certificate by the County Administrator or her designee shall be conclusive approval by the County of any changes thereto from the form attached as Exhibit C.

In the following provisions of this Section 201, matters indicated as underlined shall mean additions and matters indicated as strikethroughs shall mean deletions. Notwithstanding anything to the contrary in the Bond Resolution, the Bond Resolution shall be deemed amended to the extent necessary to effectuate the Master Amendments set forth in this Section 201, even if such amendments are not specifically set forth herein.

(a) The definition of "Debt Service Reserve Requirement" set forth in Section 101 of the Bond Resolution (particularly as amended by the Thirteenth Supplemental Resolution) is hereby amended in its entirety to read as follows:

"Debt Service Reserve Requirement" shall mean, as of any date of calculation, (a) an amount of money, securities and/or Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Insurance Policies equal to the maximum annual Debt Service for all Outstanding Bonds to be secured on a common basis by the Debt Service Reserve Account (expressly excluding Bonds for which a segregated Debt Service Reserve Subaccount has been established or which are issued without being secured by the Debt Service Reserve Account or a Subaccount therein), subject to any applicable requirements of the Code; provided, that, for purposes of the foregoing, the interest rate on each Series of Variable Interest Rate Bonds shall be deemed to be a rate equal to The Bond Buyer "Revenue Bond Index" as of the date of issuance of such Series; and (b) with respect to Bonds for which a segregated Debt Service Reserve Subaccount has been established, the amount provided in the applicable Supplemental Resolution authorizing such Series. Nothing herein shall require any Series of Bonds to be secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein or for a corresponding Debt Service Reserve Requirement to be established unless expressly so provided in the Supplemental Resolution authorizing such Series. Any Series of Bonds issued hereunder which is not secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein shall have no claim on any monies and/or any Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account or any Debt Service Reserve Account therein, including, without limitation, Surety Bond No. 479392 issued by MBIA Insurance Corporation.

(b) The definition of "Debt Service Reserve Account Insurance Policy" set forth in Section 101 of the Bond Resolution (particularly as amended by the Fifth Supplemental Resolution) is hereby amended and restated in its entirety as follows:

"Debt Service Reserve Account Insurance Policy" means the insurance policy or Surety Bond deposited in the Debt Service Reserve Account or a Debt Service Reserve Subaccount in lieu of or in partial substitution for cash on deposit therein. With respect to a Debt Service Reserve Account Insurance Policy deposited to the Debt Service Reserve Account (rather than a Debt Service Reserve Subaccount therein), the The issuer providing such Debt Service Reserve Account Insurance Policy shall be an insurer ~~which has been assigned the highest policyholder rating according to insurers by A.M. Best & Co. or any comparable service, or~~ whose credit is such that, on the date such insurer issues a commitment to provide such Policy, all municipal securities insured or guaranteed by it are then rated, because of such insurance or guarantee, in at least one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) eategory by at least one of the following: Moody's Investor Service, ~~or~~ Standard & Poor's Corporation and/or Fitch Ratings, and such Policy

shall be payable (upon the giving of notice as required thereunder) on an interest or principal payment date on which a deficiency exists in the Debt Service Account with respect to any Series of Bonds secured on a common basis by a Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account. With respect to a Debt Service Reserve Account Insurance Policy to be deposited to a Debt Service Reserve Subaccount, the applicable requirements, including with respect to the credit ratings of the provider, shall be as set forth in the Supplemental Resolution authorizing the Series of Bonds to be secured by the Debt Service Reserve Subaccount.

(c) A new definition of "Debt Service Reserve Subaccount" is hereby created in Section 101 of the Bond Resolution as follows:

"Debt Service Reserve Subaccount" or "Subaccount" means a subaccount established within the Debt Service Reserve Account for a Series of Bonds, as provided in the related Supplemental Resolution authorizing such Series of Bonds, which subaccount shall have a further Series designation corresponding to the Series of Bonds secured thereby and shall secure only the Series of Bonds for which it is established.

(d) The definition of "Funds and Accounts" set forth in Section 101 of the Bond Resolution is hereby amended and restated in its entirety as follows:

"Funds and Accounts" means the Fund sand Accounts established pursuant to Section 402 hereof, as designated in Section 402 or as hereafter redesignated by the County; provided, however, that a Supplemental Resolution may establish a Debt Service Reserve Subaccount within the Debt Service Reserve Account that shall secure only the particular Series of Bonds for which it is established and such Debt Service Reserve Subaccount shall not be included within the meaning of "Funds and Accounts" pledged to or otherwise available for payment of any other Series of Bonds and provided further a Series of Bonds may be issued without being secured by the Debt Service Reserve Account or a Subaccount therein, in which case neither the Debt Service Reserve Account nor any Subaccount therein shall be included within the meaning of "Funds and Accounts" pledged to such Series of Bonds.. Any Series of Bonds issued hereunder which is not secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein shall have no claim on any monies and/or any Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account or any Debt Service Reserve Account therein, including, without limitation, Surety Bond No. 479392 issued by MBIA Insurance Corporation.

(e) The definition of "Net Proceeds" set forth in Section 101 of the Bond Resolution is hereby amended and restated in its entirety as follows:

"Net Proceeds" means the amount received by the County from the sale and issuance of the Bonds less (i) the amount, if any, deposited in the Debt Service Reserve Account or

any Debt Service Reserve Subaccount therein and (ii) the amount applied to pay legal, accounting, financial, advertising, recording and printing expenses and all other expenses incurred in connection with the issuance of the Bonds. Net proceeds shall include investment earnings on proceeds of the Bonds earned prior to the completion of construction of the Project.

(f) Section 202(k) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(k) The amounts, if any, necessary for deposit in the Debt Service Reserve Account or in a Debt Service Reserve Subaccount therein with respect to each Series of Bonds secured by such Debt Service Reserve Account or a Debt Service Reserve Subaccount in the Debt Service Fund, including any Debt Service Reserve Account Insurance Policy, and a schedule of when such deposits will be made to said Account or Subaccount so that such Account or Subaccount shall equal the applicable Debt Service Reserve Requirement within 60 months after the authentication and delivery of such Series of Bonds.

(g) Section 402(3) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(3) Debt Service Fund, to be held by Trustee, which shall consist of a Debt Service Account and a Debt Service Reserve Account, and therein, one or more Debt Service Reserve Subaccounts to the extent established by Supplemental Resolution with respect to any particular Series of Bonds.

(h) Section 406(4) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(4) Amounts maintained in the Revenue Fund as an operation and maintenance reserve, exclusive of the proceeds of any tax levied by the County to pay Operation and Maintenance Expenses pursuant to the Act, if any, which the County at any time determines to be in excess of the requirements of such reserve, shall be applied to make up any deficiencies in the following Funds and Accounts in the order stated: Debt Service Account in the Debt Service Fund; Debt Service Reserve Account in the Debt Service Fund and in any Debt Service Reserve Subaccount therein (provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount), the Renewal and Replacement Fund; and the Subordinated Bond Fund. Any balance of such excess not so applied shall be deposited in the Improvement and Development Fund.

(i) Section 407(1) (ii) and (iii) of the Bond Resolution (particularly as amended by the Fifth Supplemental Resolution) is hereby amended and restated in its entirety as follows:

(ii) if the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein has not been funded in an amount equal to the applicable Debt Service Reserve requirement upon the issuance of a Series of Bonds secured thereby by deposit into such Account or Subaccount of either moneys and/or a Debt Service Reserve Account Insurance Policy, for credit to the Debt Service Reserve Account or such Debt Service Reserve Subaccount therein, an amount not less than 1/60th of the difference between the amount in such Account or Subaccount therein (including the amount of any Debt Service Reserve Account Insurance Policy) on the date of issuance of such Series of Bonds and the applicable Debt Service Reserve Requirement, until the amount in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein (including the amount of any Debt Service Reserve Account Insurance Policy) is equal to the amount of the applicable Debt Service Reserve Requirement; provided, however, no such deposits need to be made to the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein to the extent earnings thereon equal at least the amount to be so deposited, and

(iii) if the amount in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein (including the amount of any Debt Service Reserve Account Insurance Policy) is reduced below the amount of the applicable Debt Service Reserve Requirement as a result of any transfer from such Account or Subaccount to the Debt Service Account pursuant to paragraph 1. of Section 409 of this Resolution, an amount not less than 1/60th of the amount of such transfer until the amount on deposit in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein (including any Debt Service Reserve Account Insurance Policy) is equal to the amount of the applicable Debt Service Reserve Requirement (it being understood, as provided in Section 603 of this Resolution, that earnings on the Debt Service Reserve Account and any Debt Service Reserve Subaccount therein after any such transfer to the Debt Service Account shall continue to be paid into the Revenue Fund).

(j) Section 409(1) and Section 409(2) of the Bond Resolution (particularly as amended by the Fifth Supplemental Resolution) are hereby amended and restated in their entirety as follows:

(1) If on the last business day prior to any date that principal or interest on any Series of the Bonds secured by the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein is due and payable the amount in the Debt Service Account with respect thereto shall be less than the amount required to be in such Account pursuant to paragraph (1) of Section 407, the Trustee shall transfer amounts from the Debt Service Reserve Account or Debt Service Reserve Subaccount therein, to the extent of the deficiency, to the Debt Service Account for the benefit of the applicable Series of such Bonds; provided, however, the amounts so transferred shall be available only for the payment of the Series of Bonds secured by the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein, as applicable, and the Trustee is authorized to establish subaccounts in the Debt Service Account relating to the applicable Series of Bonds for such purpose.

(2) If, after making any transfer required by subsection 1 of this Section 409, the amount on deposit in the Debt Service Reserve Account or any Debt Service Reserve

Subaccount therein exceeds the applicable Debt Service Reserve Requirement, such excess shall be reduced in either of the following manners at the option of the County: (a) if there is on deposit in the Debt Service Reserve Account or such Debt Service Reserve Subaccount therein, a Debt Service Reserve Account Insurance Policy, the principal amount thereof may be reduced by the amount of such excess or (b) if there is on deposit in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein money or securities, an amount equal to such excess shall be withdrawn from the Debt Service Reserve Account or such Debt Service Reserve Subaccount, as applicable, and deposited in the Revenue Fund, or (c) any combination of (a) and (b) above; provided, however, that any amount withdrawn from the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein pursuant to clause (b) above shall not be used for any purpose or in any manner that would adversely affect the exclusion from gross income for federal income tax purpose of interest on any of the Bonds or Subordinated Indebtedness (other than Taxable Obligations).

(k) Section 409(4) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(4) In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the County, withdraw from the Debt Service Reserve Account in the Debt Service Fund or a Debt Service Reserve Subaccount established therein for such Series of Bonds amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts in escrow to be paid for the payment of the principal or Redemption Price, if applicable, of and interest on the Series or maturities within a Series being refunded; provided that such withdrawal shall not be made unless (a) immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to Section 1201; and (b) the amount remaining in the Debt Service Reserve Account or Debt Service Reserve Subaccount therein, as applicable, in the Debt Service Fund after such withdrawal shall not be less than the applicable Debt Service Reserve Requirement.

(l) Section 410(4) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(4) On the last day of any month, if the amount in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund shall be less than the requirement of the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein), respectively, pursuant to paragraph (1) of Section 407, and there shall not be on deposit in the Subordinated Bond Fund or the Improvement and Development Fund moneys sufficient and available for transfer to the deficient Account or Subaccount in the Debt Service Fund to cure such deficiency, then the County shall transfer from the Renewal and Replacement Fund for deposit in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund, as the case may be, the amount necessary to make up such deficiency, provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve

Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount.

(m) Section 411(2) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(2) If at any time the amount in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund shall be less than the requirement of such Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein), respectively, pursuant to paragraph (3) of Section 407, and there shall not be on deposit in the Improvement and Development Fund available moneys sufficient to cure such deficiency, then the Trustee shall withdraw from the Subordinated Bond Fund and deposit in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein), as the case may be, the amount necessary (or all the moneys in the Subordinated Bond Fund, if less than the amount necessary) to make up such deficiency, provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount.

(n) Section 412(1) of the Bond Resolution is hereby amended and restated in its entirety as follows:

(1) The County shall withdraw from the Improvement and Development Fund and apply moneys in the following amounts and in the following order of priority: (i) for deposit in the Debt Service Account and the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund the amount necessary (or all the moneys in the Improvement and Development Fund if less than the amount necessary) to make up any deficiencies in payments to the Debt Service Account and the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) required by paragraph (1) of Section 407, provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount, and (ii) for deposit in the Renewal and Replacement Fund, the amount necessary (or all the moneys in the Improvement and Development Fund if less than the amount necessary) to make up any deficiency in the Renewal and Replacement Fund after making the deposits required by paragraph (2) of Section 407.

(o) The first sentence of the first paragraph of Section 603 of the Bond Resolution is hereby amended and restated in its entirety as follows:

Moneys held in the Debt Service Fund shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities as described in (i), (ii), (iii) and (iv) of the definition of Investment Securities in Section 101 which, in the case of the Debt Service Account, mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Account, and in the case of the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein which mature no later than 10 years (unless such securities shall be redeemable at the option of the holder thereof with no penalty, in which event such securities may mature at a date no later than the final maturity of the Bonds secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein, as applicable).

(p) The first sentence of the second paragraph of Section 603 of the Bond Resolution is hereby amended and restated in its entirety as follows:

Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned on any moneys or investments in any such Accounts or Funds, other than the Construction Fund and the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein until it first reaches the applicable Debt Service Reserve Requirement shall (i) prior to the date of completion of construction of the ~~Initial~~ Project, be paid into the Construction Fund, and (iii) after the date of completion of the Construction of the ~~Initial~~ Project, be paid into the Revenue Fund.

(q) The last sentence of the second paragraph of Section 603 of the Bond Resolution is hereby amended and restated in its entirety as follows:

Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned on any moneys or investments in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein shall be held in such Account or Subaccount until it reaches the applicable Debt Service Reserve Requirement.

(r) Clause (ii) of subsection (B) in Section 710 of the Bond Resolution is hereby amended and restated in its entirety as follows:

(ii) the amount, if any, to be paid during such Fiscal Year into the Debt Service Reserve Account and any Debt Service Reserve Subaccount therein (including amounts payable to the issuer of any Debt Service Reserve Account Insurance Policy and excluding amounts required to be paid into such account out of the proceeds of Bonds),...

SECTION 202. Various Matters Related To The Master Amendments. The Master Amendments set forth in this Article II are being made pursuant to Section 1104 of the Bond Resolution. The County hereby authorizes the filing of notice of the adoption of this Fourteenth Supplemental Resolution pursuant to Section 604 of the Thirteenth Supplemental Resolution

relating to the County's undertaking for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

ARTICLE III MISCELLANEOUS

SECTION 301. General Authority. The Mayor of the County, any other member of the Board, the Clerk or any Deputy Clerk, the County Administrator, the Deputy Director of Airports, Finance and Administration of the County and the Debt Manager of the County, 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 this Fourteenth Supplemental Resolution.

SECTION 302. Severability And Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof or of the Outstanding Bonds.

SECTION 303. Bond Resolution To Continue In Force. Except as herein expressly provided, the Bond Resolution and all the terms and provisions thereof, are and shall remain in full force and effect.

SECTION 304. Effective Date. This Fourteenth Supplemental 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 Mary Lou Berger, Mayor	-
Commissioner Hal R. Valeche, Vice Mayor	-
Commissioner Paulette Burdick	-
Commissioner Shelley Vana	-
Commissioner Steven L. Abrams	-
Commissioner Melissa McKinlay	-
Commissioner Priscilla A. Taylor	-

The Mayor thereupon declared this resolution duly passed and adopted this 21st day of June, 2016.

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. Ky
County Attorney

EXHIBIT A

CREDIT FACILITY PROVIDER'S CONSENT

Consent

Board of County Commissioners
Palm Beach County, Florida

Ladies and Gentlemen:

Pursuant to Policy Nos. 479391 and 479400, each dated May 17, 2006 (collectively, the "Policies"), MBIA Insurance Corporation (the "Credit Facility Provider") is the insurer of the Outstanding Palm Beach County, Florida Airport System Revenue Bonds, Series 2006A (the "Series 2006A Bonds") and Outstanding Palm Beach County, Florida Airport System Taxable Revenue Refunding Bonds, Series 2006B (the "Series 2006B Bonds" and collectively with the Series 2006A Bonds, the "Series 2006 Bonds").

National Public Finance Guarantee Corporation ("National") is Administrator for the Credit Facility Provider pursuant to an Administrative Services Agreement effective as of January 1, 2009 by and between the Credit Facility Provider and National. National hereby provides this Consent of the Credit Facility Provider (the "Consent") as Administrator for the Credit Facility Provider.

The Series 2006 Bonds were issued pursuant to Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted by the Board of County Commissioners (the "Board") of Palm Beach County, Florida (the "County") on April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and supplemented, including by Palm Beach County Airport System Revenue Bond Resolution No. R2006-0727 and the hereinafter defined Fourteenth Supplemental Resolution (collectively, the "Bond Resolution").

The Credit Facility Provider is also the issuer of Surety Bond No. 479392 (the "Surety Bond"). The Surety Bond is on deposit to the credit of the Debt Service Reserve Account established under the Bond Resolution and secures the Series 2006 Bonds and all Bonds issued and Outstanding on a parity therewith (referred to as the "Obligations" in the Surety Bond). The Surety Bond has a face amount of \$17,632,517.76 or the debt service reserve fund requirement for the Obligations established by the Bond Resolution, whichever is less. The Surety Bond will terminate, by its terms, on the earlier to occur of October 1, 2036 or the date on which the County has made all required payments with respect to the Obligations pursuant to the Bond Resolution (the "Expiration Date").

National hereby acknowledges that the Policies and the Surety Bond are in full force and effect as of the date hereof and that the Policies and the Surety Bond are each a "Covered Policy" under the Amended and Restated Quota Share Reinsurance Agreement, as amended, effective as

of January 1, 2009 by and between the Credit Facility Provider and MBIA Insurance Corp. of Illinois, now known as National Public Finance Guarantee Corporation.

Pursuant to the rights granted to the Credit Facility Provider under the Insurance Agreement dated as of May 17, 2006 between the Credit Facility Provider and the County (the "Insurance Agreement") and the Financial Guaranty Agreement dated as of May 17, 2006 between the Credit Facility Provider and the County, National hereby consents to the "Master Amendments," as such term is defined in that certain Palm Beach County Airport System Revenue Bond Fourteenth Supplemental Bond Resolution to be adopted by the Board of County Commissioners of the County (the "Fourteenth Supplemental Resolution") in the form attached hereto and to the County's adoption of the Fourteenth Supplemental Resolution.

In addition, National acknowledges and agrees that the Surety Bond shall remain on deposit to the credit of the Debt Service Reserve Account and continue, through the Expiration Date, to secure (i) any Series 2006A Bonds that remain Outstanding after the issuance of the Series 2016 Bonds, (ii) the Outstanding Series 2006B Bonds, and (iii) any Outstanding Bonds issued on a parity therewith, including the Series 2016 Bonds, to the extent the County intends such Bonds to be secured by the Debt Service Reserve Account on a common basis with other Outstanding parity Bonds (but excluding any Debt Service Reserve Subaccount in the Debt Service Reserve Account).

National further acknowledges and agrees that, with respect to the Insurance Agreement, (i) the ratings requirements of Section 3(a) thereof shall be deemed to be superseded by the provisions of Section 201(b) of the Fourteenth Supplemental Resolution and (ii) Sections 3(b),(f) and (g) thereof shall be deemed to apply only to the Debt Service Reserve Account, specifically excluding any Debt Service Reserve Subaccount therein.

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto by the Bond Resolution.

IN WITNESS WHEREOF, the undersigned, an authorized officer of the Credit Facility Provider, has executed this Consent as of the ____ day of _____, 2016.

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION, as Administrator for MBIA Insurance Corporation

By: _____

Title: _____

ACKNOWLEDGED:

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A, AS TRUSTEE**

By: _____

Title: _____

Date: _____

EXHIBIT B
FORM OF COUNSEL'S OPINION

____, 2016

Board of County Commissioners
Palm Beach County, Florida

Re: Palm Beach County, Florida Airport System Revenue Bonds, Series 2006A issued in the initial aggregate principal amount of \$69,080,000 (the "Series 2006A Bonds") and Airport System Taxable Revenue Refunding Bonds, Series 2006B issued in the initial aggregate principal amount of \$16,855,000 (the "Series 2006B Bonds")

Ladies and Gentlemen:

We acted as bond counsel in connection with the issuance by Palm Beach County, Florida (the "County") of its Airport System Revenue Bonds, Series 2006A issued in the initial aggregate principal amount of \$69,080,000 (the "Series 2006A Bonds") and its Airport System Taxable Revenue Refunding Bonds, Series 2006B issued in the initial aggregate principal amount of \$16,855,000 (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006 Bonds"). The Series 2006 Bonds were issued on May 17, 2006 pursuant to the Thirteenth Supplemental Bond Resolution No. R-2006-0727 adopted by the Board of County Commissioners (the "Board") of the County on April 18, 2006 (the "Thirteenth Supplemental Resolution"), which is supplemental to the Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as additionally amended and supplemented (collectively, the "Bond Resolution"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Bond Resolution.

For purposes of this opinion, we have assumed, with your permission, that (i) the Series 2006 Bonds are the only Bonds Outstanding under the Bond Resolution; (ii) National Public Finance Guarantee Corporation ("National") is authorized to deliver the Consent (hereinafter defined) on behalf of MBIA Insurance Corporation (the "Credit Facility Provider") as the insurer of the Series 2006 Bonds pursuant to Policy Nos. 479391 and 479400, each dated May 17, 2006 (collectively, the "Policies"), as the issuer of Surety Bond No. 479392 (the "Surety Bond") on deposit to the credit of the Debt Service Reserve Account established under the Bond Resolution and as a party to the Credit Agreements (hereinafter defined); and (iii) on the date hereof the County will file the Fourteenth Supplemental Resolution (hereinafter defined), the Consent and this opinion with the Clerk of the Board, in its capacity as the County Clerk within the meaning of the Bond Resolution.

On June 21, 2016, the Board adopted Palm Beach County Airport System Revenue Bond Resolution No. _____ (the "Fourteenth Supplemental Resolution") in order to accomplish certain amendments (collectively, the "Master Amendments") to the Bond Resolution. Section 1104 of the Bond Resolution permits amendments to be made thereto with the unanimous consent of the Holders of Outstanding Bonds. As permitted by the Thirteenth Supplemental Bond Resolution and the Credit Agreements, the Credit Facility Provider, acting through National as described in the Consent, has executed a written consent to the Master Amendments dated ____, 2016 (the "Consent").

In connection with the Master Amendments, we have been asked to render the Counsel's Opinion referenced in Section 1104 of the Bond Resolution. In order to render this opinion, we have examined the following:

- (i) the Bond Resolution;
- (ii) the Fourteenth Supplemental Resolution, including the form of the certificate of the Clerk of the Board attached thereto as Exhibit C (and have further assumed such certificate will be executed on the date hereof in the form attached to the Fourteenth Supplemental Resolution);
- (iii) the Insurance Agreement between the County and the Credit Facility Provider dated as of May 17, 2006 relating to the Policies (the "Insurance Agreement") and the Financial Guaranty Agreement between the County and the Credit Facility Provider dated as of May 17, 2006 relating to the Surety Bond (the "Financial Guaranty Agreement" and together with the Insurance Agreement, the "Credit Agreements"); and
- (iv) the Consent.

We have also examined such certified copies of the proceedings of the County and of such other documents as we have deemed necessary to render this opinion. We have further relied upon representations of the County contained in the aforementioned documents without undertaking to verify such representations by independent investigation.

Based on the foregoing, we are of the opinion that the Fourteenth Supplemental Resolution (i) has been duly and lawfully adopted by the County and contemporaneously herewith filed with the County Clerk in accordance with the provisions of Section 1104 of the Bond Resolution and the applicable provisions of Section 1103 of the Bond Resolution; (ii) is authorized or permitted by the Bond Resolution; and (iii) is valid and binding upon the County and enforceable in accordance with its terms.

The foregoing opinion is qualified to the extent that the enforceability of the Fourteenth Supplemental Resolution may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, now or hereafter in effect, and by the exercise of judicial discretion in appropriate cases in accordance with equitable principles.

This opinion letter may not be relied upon by you for any other purpose, or relied upon by, or furnished to, any other person, firm or corporation without our prior written consent. This is only an opinion letter and not a warranty or guaranty of the matters discussed herein.

Respectfully submitted,

GREENSPOON MARDER, P.A.

FTL:1684664:6

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EXHIBIT C

FORM OF CERTIFICATE OF COUNTY AND CLERK

County and Clerk's Certificate

Palm Beach County, Florida

\$69,080,000 (original principal amount) Airport System Revenue Bonds, Series 2006A
and

\$16,855,000 (original principal amount) Airport System Taxable Revenue Refunding Bonds,
Series 2006B
(collectively, the "Series 2006 Bonds")

The Series 2006 Bonds were issued pursuant to Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted by the Board of County Commissioners (the "Board") of Palm Beach County, Florida (the "County") on April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and supplemented, including by Palm Beach County Airport System Revenue Bond Resolution No. R89-971 adopted on June 4, 1989 and Palm Beach County Airport System Revenue Bond Resolution No. R2006-0727 adopted on April 18, 2006 (the "Thirteenth Supplemental Bond Resolution") (all of such resolutions being referred to, collectively, as the "Bond Resolution"). All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Bond Resolution.

MBIA Insurance Corporation (the "Credit Facility Provider"), is the insurer of the Series 2006 Bonds pursuant to Policy Nos. 479391 and 479400, each dated May 17, 2006 (collectively, the "Policies"). The Credit Facility Provider is also the issuer of Surety Bond No. 479392 (the "Surety Bond") on deposit to the credit of the Debt Service Reserve Account established under the Bond Resolution

On June 21, 2016, the Board adopted Palm Beach County Airport System Revenue Bond Resolution No. _____ (the "Fourteenth Supplemental Bond Resolution") which amends, in certain respects, the Bond Resolution (collectively, the "Master Amendments"). As permitted by the Thirteenth Supplemental Bond Resolution and the agreements relating to the Policies and the Surety Bond, respectively, entered into by the County and the Credit Facility Provider (collectively, the "Credit Agreements"), the Credit Facility Provider, acting through National Public Finance Guarantee Corporation as described in the hereinafter defined Consent, has executed a written consent to the Master Amendments (the "Consent"), a copy of which has been filed with the Clerk of the Board (the "Clerk"). The Counsel's Opinion contemplated by Section 1104 of the Bond Resolution has also been filed with the Clerk.

The undersigned, as the County Administrator of the County and the Clerk of the Board, respectively, DO HEREBY CERTIFY, as required by Article XI, Section 1104 and Section 1103 of the Bond Resolution that the Consent represents the written consent of the Holders of 100% of the Outstanding Series 2006 Bonds and has been filed with the Clerk.

This certificate may be executed in counterparts which, together, shall constitute a single instrument.

IN WITNESS WHEREOF, we have hereunto set our hands as of the ____ day of ____, 2016.

PALM BEACH COUNTY, FLORIDA

By: _____

Title: _____

**SHARON R. BOCK, CLERK &
COMPTROLLER**

By: _____
Deputy Clerk