

Port of Palm Beach CHARTER REVIEW SUMMARY

June 16, 2016

PREPARED FOR:

Wayne M. Richards, Chairman
Jean Enright, Vice Chairman
George E. Mastics, Secretary-Treasurer
Peyton McArthur, Commissioner
Blair J. Ciklin, Commissioner
Manny Almira, Director

BY:

Richard Pinsky, Akerman LLP

Port Charter

Table of Contents

ARTICLE I. PURPOSE

Section 1. List of Acts

Section 2. Purpose

Section 3. Name

ARTICLE II. GENERAL PROVISIONS

ARTICLE III. BOUNDARIES

ARTICLE IV. GOVERNING BODIES

Section 1. Commissioners

Section 2. Powers

Section 3. Quorum

ARTICLE V. ELECTION OF BOARD OF COMMISSIONERS

Section 1. Section 1. Conduct of Affairs

Section 2. Requirements of commissioners

Section 3. Election laws

Section 4. Present commissioners

Section 5. Term of office

Section 6. Bond of commissioners

Section 7. Vacancies in Board

ARTICLE VI. ORGANIZATION AND COMPENSATION OF BOARD OF COMMISSIONERS

Section 1. Organization of Board

Section 2. Officers

Section 3. Salary of commissioners

Section 4. Secretary-treasurer bond

Section 5. Present officers to continue

ARTICLE VII. DEFINITIONS

ARTICLE VIII. GRANT OF POWERS TO BOARD OF COMMISSIONERS

Section 1. General Powers

Section 2. Special powers

ARTICLE IX. GENERAL OBLIGATION BONDS

Section 1. Authorization to issue

Section 2. Restrictions on issuances

Section 3. Vote of qualified electors

Section 4. State law

Section 5. Advertisement

Section 6. Use of Palm Beach County registration system

Section 7. Form and content of bonds

Section 8. Registered or coupon bonds

Section 9. More than one improvement may be included

Section 10. Advertising for bids

Section 11. Refunding bonds

- Section 12. Terms of refunding bonds
- Section 13. Validity of refunding bonds
- Section 14. Sale or exchange of refunding bonds Refunding bonds may be sold or exchanged as follows
- Section 15. Expense to be included in cost
- Section 16. Passage of resolutions

ARTICLE X. REVENUE BONDS OR CERTIFICATES

- Section 1. How issued
- Section 2. Definitions
- Section 3. Payment provisions for revenue bonds
- Section 4. Partial pledging of revenues
- Section 5. Approval, interest, and term
- Section 6. Covenants in resolutions
- Section 7. Validity of revenue bonds
- Section 8. Lien of revenue bonds
- Section 9. Duty to fix and collect charges
- Section 10. Default provisions
- Section 11. Exemption of property and revenues from taxation
- Section 12. Power to contract
- Section 13. Waiver of other control
- Section 14. Covenants of State of Florida
- Section 15. Covenants of District
- Section 16. Waiver of limitations in any other law
- Section 17. Power to issue
- Section 18. Expenses to be included in cost
- Section 19. Passage of resolutions

ARTICLE XI. AD VALOREM TAXES

- Section 1. Annual Levy
- Section 2. Special tax

ARTICLE XII. EMPLOYMENT OF PORT MANAGER AND CONSULTANTS

- Section 1. Port manager and employees
- Section 2. Consultants

ARTICLE XIII. PUBLICIZING OF PORT FACILITIES

- Section 1. General
- Section 2. Payment of vouchers

ARTICLE XIV. BONDS, LEGAL INVESTMENTS

ARTICLE XV. AUDIT

ARTICLE XVI. INVESTMENT OF PORT FUNDS

ARTICLE XVII. DISBURSEMENT OF FUNDS

ARTICLE XVIII. DEPOSITORIES

ARTICLE XIX. ACTION BY RESOLUTION

ARTICLE XX. PUBLIC PURPOSES

ARTICLE XXI. ADDITIONAL AND ALTERNATIVE METHOD

ARTICLE XXII. LIBERAL CONSTRUCTION

ARTICLE XXIII. PROVISIONS OF THIS ACT

ARTICLE XXIV. EFFECTIVE DATE

PREAMBLE

- Pursuant to s. 189.429, Florida Statutes, this act constitutes the codification of all special acts and court decrees relating to the Port of Palm Beach District. It is the intent of the Legislature in enacting this act to provide a single, comprehensive special act charter for the district, including all current legislative authority granted to the district by its several legislative enactments and any additional authority granted by this act. It is further the intent of the Legislature that this act preserve all district authority in addition to any authority contained in chapter 298, Florida Statutes.
- Chapters 74-570, 75-468, 81-459, 87-523, 90-462, 95-467, and 99-457, Laws of Florida, are amended, codified, reenacted, and repealed as herein provided.

(Recommended by Lewis, Longman)

ARTICLE I PURPOSE

Section 1. List of Acts Name — The purpose of this act is to amend, supplement or repeal certain sections and portions of chapter 7081, Law of Florida, 1915 and the various special acts that are supplementary and amendatory thereto, including, but not limited to the following chapters: chapter 7522, Laws of Florida, 1917; chapter 8800, Laws of Florida, 1921; chapter 9993, Laws of Florida, 1923; chapters 10756 and 11694, Laws of Florida, 1925; chapter 12074, Laws of Florida, 1927; chapter 13685, Laws of Florida, 1929; chapter 14753, Laws of Florida, 1931; chapter 17089, Laws of Florida, 1935; chapters 18766, 18771 and 18772, Laws of Florida, 1937; chapter 26108, Laws of Florida, 1949; chapters 27800, 27801 and 27805, Laws

of Florida, 1951; chapters 29391 and 29393, Laws of Florida, 1953; chapters 31126 and 31129, Laws of Florida, 1955; chapters 57-1685, 57-1695 and 57-1696, Laws of Florida; chapters 59-905 and 59-1701, Laws of Florida; chapter 61-2632, Laws of Florida; chapter 67-1879, Laws of Florida; and chapter 72-635, Laws of Florida; chapter 74-570, Law of Florida; chapter 75-468, Laws of Florida; HB3365-90, Laws of Florida, SB3064-95, Laws of Florida, chapter 99-457, Laws of Florida. The name of the district shall continue to be the "Port of Palm Beach District." (Replaces and deletes current Section 3).

Section 2. Purpose – Establishes the purpose of the Charter is to bestow powers.

~~Section 3. Name – Establishes the name of the Port~~

(Recommended by Lewis, Longman)

ARTICLE II GENERAL PROVISIONS

Establishes the sovereign existence of the Port of Palm Beach.

ARTICLE III BOUNDARIES

Establishes and describes the Port District boundaries.

ARTICLE IV GOVERNING BODY

Section 1. Commissioners – Establishes five Commissioners.

Section 2. Powers – Establishes all governance is held by the five Commissioners.

Section 3. Quorum – Establishes three Commissioners as a quorum.

ARTICLE V ELECTION OF BOARD OF COMMISSIONERS

Section 1. Conduct of Affairs – Establishes Commissioners are elected district-wide in five separate districts.

Section 2. Requirements of commissioners – Establishes that Commissioners must be citizens, residing within the Port District and registered to vote.

Section 3. Election laws – Establishes Florida election law governs the Port District elections.

Section 4. Present commissioners

All of the present Port of Palm Beach District Commissioners shall hold office for the term for which they were elected. Nothing herein shall be construed to adversely affect their tenure as Commissioners of the Port of Palm Beach District for the term for which they have been duly elected and qualified, and they shall continue to serve as such Commissioners until their successors have become duly qualified after the general election of 1976, or until such time as they shall become previously disqualified by reason of death, change of residence or by removal from office by the Governor, pursuant to applicable law

(Recommended by Lewis, Longman)

Section 5. Term of office – Establishes four year Commission terms.

Section 6. Bond of commissioners – Establishes a \$25 thousand dollar bond requirement for all Commissioners.

Section 7. Vacancies in Board – Establishes a single vacancy is appointed by at least two Commissioners; two vacancies appointed by the Governor.

ARTICLE VI ORGANIZATION AND COMPENSATION OF BOARD OF COMMISSIONERS

Section 1. Organization of Board – As soon as practicable, after the Commissioners of the Port of Palm Beach District have been elected ~~(or appointed)~~ and have qualified, they shall meet and elect the officers of the district as hereinafter provided.

(Recommended by Lewis, Longman)

Section 2. Officers – Establishes Port Commission officers that serve at the pleasure of the Port Commission.

Section 3. Salary of commissioners – Establishes that Port Commissioners shall earn annually and be paid monthly.

Section 4. Secretary-treasurer bond – Establishes that an additional \$25 thousand dollar bond shall be paid by the Secretary-treasurer.

Section 5. Present officers to continue – Establishes no impairment to terms of office currently held by Port Commissioners.

ARTICLE VII DEFINITIONS

Establishes definitions for:

(1) "Port District".

(2) "Board of Commissioners".

(3) "Port Manager".

(4) "Federal Agency".

(5) "Project".

(6) The term "cost" as applied to improvements shall mean the cost of constructing or acquiring improvements as hereinabove defined or referred to in the definition of "project", and shall embrace the cost of all labor and material, the cost of all machinery and equipment, financing charges including capitalized interest ~~prior to, during, and one (1) year after the construction of said improvements,~~ cost of engineering, legal expenses, plans specifications and such other expenses as may be necessary or incident to such construction or acquisition.

(Recommended by Sanford and Bennett)

(7) The term "cost" as applied to a project acquired, constructed, extended or enlarged, shall include the purchase price of any project acquired, the cost of improvements, the cost of such construction, the extension or enlargement, the cost of all lands, properties, rights, easements, and franchises acquired, the cost

of all machinery and equipment, financing charges including capitalized interest prior to, during, and one (1) year after the construction of said improvements, cost of investigation, and audits, and for engineering and legal services, and all other expenses necessary or incident to determining the feasibility or practicability of such acquisition or construction, administrative expense or expenses, and all such other necessary expenses as may be necessary or incident to the financing herein authorized, and to the acquisition and construction of a project and lawfully incurred by the district (or the board of commissioners of said district) prior to the issuance of revenue bonds under the provisions of this act, including, but not limited to, engineering studies, estimates of cost and of revenues, and for such other technical, financial or legal; services in connection with the acquisition or construction, or feasibility, of any project, may be regarded as a part of the cost such project.

(Recommended by Sanford and Bennett)

(8) "and" "or"

(9) Use of pronouns

(10) "Person"

(11) The term "revenue bonds" shall also mean and include "revenue certificates notes and other forms of revenue debt obligations."

(Recommended by Sanford and Bennett)

(12) 'Resolution and motion'.

(13) "Fiscal year".

(14) "Terminal facilities".

ARTICLE VIII GRANT OF POWERS TO BOARD OF COMMISSIONERS

Section 1. General Powers

(1) General

To act as the governing body for the operation, maintenance, and management of projects and facilities as herein defined located within the district, with full power to establish and determine such policies as may be deemed necessary in the

opinion of the Board of Commissioners of said district for the operation and promotion of the projects within the district.

(Recommended by Lewis, Longman)

(2) Projects

To construct, acquire, establish, improve, extend, enlarge, reconstruct, re-equip, maintain, repair and operate any project as herein defined; provided that this act does not authorize the construction of oil refineries, oil tank farms, or steel mills.

(Recommended by Lewis, Longman)

(3) Acquisition and disposition of property – Establishes the authority of the Port Commission to purchase, sell, exercise condemnation, lease, etc., any real or personal property in the best interest of the Port of Palm Beach.

(4) Acquisition of harbor and Port facilities- Establishes the right to construct, own, condemn, build, operate, etc. Port facilities.

(5) Establishment of Trade Zones

To exercise complete and exclusive control over the port and harbor facilities within the port district; and to apply to the proper public authorities of the United States of America for the right to establish, operate and maintain foreign or domestic trade zones or subzones within or without the boundaries of the port district, and to operate and maintain such foreign and domestic trade zones; provided, however, that such foreign trade zones shall comply with Federal laws and regulations applicable to trade zones and shall be located within the corporate limits of Palm Beach County; and provided further that the trade zone, if operating, shall maintain trade zone operations within the boundaries of the port district. In the event a trade zone site is established outside the boundaries of the port district, the county government, or, if within an incorporated area, the local municipal government shall have approved the establishment of the trade zone within its jurisdiction, and such trade zone site shall be subject to such local government's applicable codes and ordinances. In the event the Board of Commissioners of the Port of Palm Beach District approves a grant of the right to operate any portion of a foreign or domestic trade zone to a private owner-operator, such grant shall be in writing and shall include the obligation of the owner operator to provide to and maintain with the Port of Palm Beach District comprehensive general liability insurances with minimum coverage amounts as

determined by the Port of Palm Beach District, and indemnity, and hold harmless agreements for any damages, claims, liabilities, losses, fines, demands, and costs which may arise out of the owner-operator's acts or omissions related to such foreign or domestic trade zone. To exercise complete and exclusive control over the port and harbor facilities within the port district and to apply to the proper public authorities of the United States of America for the right to establish, operate, and maintain foreign trade zones within or outside of the boundaries of the port district and to operate and maintain such foreign trade zones; provided, however that such foreign trade zones shall comply with federal laws and regulations applicable to foreign trade zones and such trade zones shall be subject to all local government codes, ordinances and other laws.

(Recommended by the Rockefeller Group)

(6) Improvement of water facilities – Establishes the right to improve all navigable and unnavigable waters within the Port District.

(7) Establishment of rates, tolls, and charges – Establishes the right to fix rates for wharfage and dockage.

(8) Establishment and control of schedule of charges by stevedoring and longshoremen's companies – Establishes right to determine rules for stevedoring and longshoremen.

(9) Franchises, leases and rights-of-way – Establishes the right to grant franchise, offer leases and grant rights-of-way.

(10) Expenditure of moneys- Establishes authority to spend money.

(11) Borrowing of money – Establishes authority to borrow money.

(12) Taxes and assessments – Establishes the Port's taxing authority.

(13) Railroad transportation facilities – To construct, purchase, sell, lease, maintain, operate, equip, replace, enlarge, repair, condemn, own, and otherwise acquire, regulate and control a single or multiple track line or lines of railway, and also yards, terminals, stations, warehouses, team and other tracks, switches, turnouts and all buildings and appurtenances deemed necessary and appropriate in connection therewith for the receipt, transportation, housing and delivery of passengers, freight, mail and express, to extend or connect with the lines and facilities of any common carrier; to enter into such contract, lease or franchise with the Florida East Coast Railway and the Seaboard Air Line Railway, and their

respective successors and assigns and any other common carrier whatsoever as the Board of Commissioners shall by resolution determine to be necessary for the development and promotion of the shipping and transportation facilities within said port district, and the development and promotion of the harbor, terminal facilities, and port facilities within the port district; to acquire by grant purchase gift, devise, condemnation, exchange, or in any other manner, all land, easements and rights-of-way by resolution deemed to be necessary by the district for such purpose; to execute whatever documents and make such arrangements as may be necessary in the opinion of the Interstate Commerce Commission of the United States of America, so as to avoid submitting the entire port district to the jurisdiction of said Interstate Commerce Commission; to perform and comply with all the rules and regulations promulgated by the Interstate Commerce commission or any other state or federal agency, covering the operation, maintenance, development and ownership of the transportation facilities used in connection with the harbor and port facilities within the district.

(Recommended by Lewis, Longman)

(14) Operation of railroad transportation facilities as a separate department – Establishes the authority of the Port to operate and maintain a railroad.

(15) Regulate transportation – To regulate the transportation of persons and property for hire over the street, waterways and property within the terminal facilities of the district, over property owned or leased by the district, to grant to any person, persons, firm or corporation franchises for the use of the streets, roads or other property, owned or leased by the district, for the operation of any automobile, bus ferry, water transportation system, public service or utility, taxicabs, cars for hire, “U-Drive-It” cars, buses, or other transportation facilities, and any and all other business enterprises, whatsoever, subject to the terms and restrictions of any resolution adopted by the Board of Commissioners of the Port of Palm Beach District in the manner provided therein.

(16) Development of port facilities or projects – Establishes the authority to promote and encourage commerce through the use of Port development projects and facilities.

(17) Appointment of harbormaster and other necessary persons – Establishes authority to appoint a harbormaster or any other necessary personnel.

Section 2. Special powers

- (1) Pensions, insurance coverage and state retirement – Establishes authority of Port Commission to provide all types of insurance coverage to employees.
- (2) Tax anticipation loans – Establishes the authority of the Commission to borrow money and issue notes
- (3) Acquisition of facilities – Establishes eminent domain authority.
- (3) Acquisition of Facilities – Establishes eminent domain authority.
- (4) Filling in of lands – Establishes authority to fill land or submerged lands bordering the Port facilities.
- (5) Construction of islands – Establishes authority to construct islands within the Port district.
- (6) Access – Establishes authority to construct bridges or tunnels within the Port district.
- (7) Dredging – Establishes authority to dredge any channels, turning basins within the Port district.
- (8) Extend Existing Projects – To fill in, extend and enlarge, or cause or permit to be filled in, extended and enlarge, any existing project, to demolish and remove any and all structures thereon or constituting a part thereof, and otherwise to prepare the same for sale or lease in order to provide funds for financing projects under **the provisions of this law this charter.**

(Recommended by Lewis, Longman)

- (9) Acquire existing projects – Establishes authority to acquire any existing project that serves a public purpose.
- (10) Sale or lease of projects – To sell at public or private sale or lease for public or private purposes **in accordance with Florida law,** all or any portion of any project now or hereafter owned by the port district, including any such project as extended, enlarged or improved, and all or any portion of any property of the district, created, extended or enlarged under the authority of the district, deemed necessary, in the opinion of the Board of Commissioners of said district, on such terms and subject to such conditions as the Board of Commissioners shall determine to be in the best interests of the port district.

(Recommended by Sanford and Bennett)

- (11) Contracts for projects or facilities – Establishes authority to issue contracts for construction of facilities.
- (12) Loans or grants – Establishes the authority to accept grants or monies from the Federal and State governments.
- (13) Control – Establishes jurisdiction and control over any Port project.
- (14) Set rentals, rates, and fees – Establishes authority to collect rents and fees.
- (15) Contract debts – Establishes authority to contract debt, borrow money and issue bonds.
- (16) Advances to the United States of America – Establishes authority to make advances to the Federal government for any Port projects such as dredging.
- (17) Survey rights – Establishes the sovereign right to enter and land or water in or out of the Port district for the purpose of advancing a Port project.
- (18) Contract with governmental agencies – Establishes authority to enter into contracts with the Federal and State government.
- (19) Contracts in general – Establishes authority to enter into any contract deemed appropriate.
- (20) Joint arrangements – Establishes authority to enter into agreements with airlines, cruise lines, railroads, etc.
- (21) Rates and charges – Establishes authority to set wharfage, dockage and terminal rates and fees.
- (22) Regulation of water craft – Establishes the authority to regulate the operation and docking of all watercraft using the waterways of the Port District.
- (23) To carry out the purpose of act – Establishes the authority to act to do all things to carry out the purposes of the Port.
- (24) Publicize, advertise and promote – Establishes the authority to advertise and promote the Port of Palm Beach and all of its activities.
- (25) Other approval unnecessary – Establishes the independent authority of the Port Commission apart from all governments except the Board of Trustees of the Improvement Trust Fund.
- (26) Advertising – Establishes the authority of the Port Commission to advertise the Port in any manner they deem appropriate.

ARTICLE IX GENERAL OBLIGATION BONDS

Section 1. Authorization to issue – Establishes the Port’s authority to issue general obligation bonds.

Section 2. Restrictions on Issuance - Said bonds may be in such form, denomination and bearing such rate of interest not exceeding eight percent (8%) per annum the legal limit under Florida law, and becoming due at such time, but not exceeding forty (40) years from the date of issuance, and upon such conditions as may be determined by the Board of Commissioners of said district; further the amount thereof shall not exceed in the aggregate, fifteen percent (15%) of the assessed valuation of the taxable property of the district, as certified by the tax assessor of Palm Beach County at the time of issue.

(Recommended by Sanford and Bennett)

Section 3. Vote of Qualified Electors – All general obligation bonds issued by the district, except general obligation refunding bonds, which excludes revenue bonds or certificates, and time of warrants which produce net interest cost savings, shall be issued only after the same has been approved by the qualified electors residing in said district, as provided for in the constitution of the State of Florida as the same is now in existence, or as hereinafter lawfully amended.

(Recommended by Sanford and Bennett)

Section 4. State law – Establishes that chapter 100, f.s., shall govern when there is no conflict with the Port Charter.

Section 5. Advertisement – Establishes how a bond referendum must be advertised.

Section 6. Use of Palm Beach County registration system – Establishes that the PB County Supervisor of Elections determines eligible voters.

Section 7. Form and Content of Bonds – All bonds issued under the provisions of this act shall bear interest as provided hereinabove, payable annually or semiannually, and both principal and interest shall be payable at such place or places as the Board of Commissioners of the district may determine. The form of such bonds shall be fixed by resolution of the Board of Commissioners and said

bonds shall be signed by the manual or facsimile signature of the chairman or vice-chairman or any other authorized member of the Board, its corporate seal to be affixed thereto, or reproduced or imprinted thereon, attested by the manual or facsimile signature of the secretary and treasurer of the said district; ~~provided, however, one of the said officers shall manually apply his signature. Coupons attached to said bonds shall be executed by the facsimile signatures of said officers.~~ The delivery at any subsequent date of any bond and coupon so executed shall be valid, although before the date of delivery the person or persons signing the bond or coupons shall cease to hold office.

(Recommended by Sanford and Bennett)

Section 8. Registered or Coupon Bonds and Notes – Bonds issued hereunder may shall be either registered ~~or coupon bonds. Coupon bonds may be registered bonds~~ as to principal to the holder's name on the books of the secretary and treasurer of the Board of Commissioners of the Port of Palm Beach District, with the registration being noted upon the bonds, after which no transfers shall be valid unless made on said books of the district by the registered owner or by his duly authorized agent or representative and similarly noted on the bond or bonds. Bonds registered as to the principal may be discharged from registration by being transferred to bearer, after which they shall be transferable by delivery, but may again be registered by being transferred to bearer, after which they shall be transferable by delivery, but may again be registered as to principal as before. The registration of the bonds as to principal shall not restrain the negotiability of the coupons by delivery only and interest. The district shall keep or cause there to be kept registration books regarding its bonds and notes.

(Recommended by Sanford and Bennett)

Section 9. More than one improvement may be included – Establishes authority to include more than one project in a bond offering.

Section 10. Advertising for Bids Sale of General Obligation Bonds – All general obligation bonds issued under this act shall be advertised for sale on sealed bids, which advertisement shall be published at least once, not less than fourteen (14) days prior to the date fixed for the reception of bids, in newspaper of general circulation published in the port district, and in a financial paper published in the City of New York, New York. The Board of Commissioner may reject any and all

bids. If the general obligation bonds be not sold pursuant to such advertisements, they may be sold by the Board of Commissioners at private sale within sixty (60) days after the date advertised for the reception of sealed bids, but no such private sale shall be made at a price less than the most favorable bid which shall have been received at said public bidding. If not sold within sixty (60) days, general obligation bonds shall be readvertised in the manner herein prescribed, if the Board of Commissioners deems it advisable to continue to attempt to sell said bonds, sold in the manner required under Florida law. No general obligation bonds issued hereunder shall be sold for less than ninety- five percent (95%) of the par value and accrued interest. *(Recommended by Sanford and Bennett)*

Section 11. Refunding bonds – Establishes authority of the Port Commission to issue refunding of bonds.

Section 12. Terms of Refunding General Obligation Bonds – The Unless otherwise required under Florida law, the resolution of the Board of Commissioners for the Port of Palm Beach District authorizing the issuance of the general obligation and general obligation refunding bonds, may provide that the refunding such bonds may be issued in one (1) or more series as the Board of Commissioners may determine, not to exceed forty (40) years from their respective date; may bear interest at such rates, not exceeding the maximum rate of interest borne by the notes, bonds, or other obligations refinanced thereby; may be in such denomination as desirous; may be in such form, either coupon or registered as desired permitted under Florida law may carry such registration and conversion privileges as desired; may be executed in such manner and may be payable in such medium of payment, at such place, as desired; may be subject to such terms of redemption, with or without a premium; may provide for the replacement of mutilated, destroyed, stolen or lost bonds: may be authenticated in such manner and upon compliance with such conditions as desired; and may contain such other terms and covenants as may be desired. Notwithstanding the form or tenor thereof, and in the absence of an express recital on the face thereof that the bond is not negotiable, all general obligation bonds, including general obligation refunding bonds, shall at all times be, and shall be treated as, negotiable instruments for all purposes.

(Recommended by Sanford and Bennett)

Section 13. Validity of refunding bonds – Establishes that all bonds issue regardless of the Port Commissioners at the time of issuance, are valid.

Section 14. Sale or Exchange of Refunding Bonds May be Sold or Exchanged as Follows:

(1) In installments at different time or times, or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds may be exchanged in part or sold in part in installments at different times or at one time. The refunding bonds may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds, certificates, or other obligations to be refinanced thereby.

(2) If the Board of Commissioners determines to exchange any refunding bonds, such refunding bonds may be exchanged privately for and in payment and discharge of any outstanding notes, bonds or other obligations of the Port of Palm Beach District. The refunding bonds may be exchanged for a like or greater principal amount of such notes, bonds, or other obligations of the port district, except that the principal amount of the refunding bonds may exceed the principal amount of such outstanding notes, bonds or other obligations to the extent necessary or advisable, in the discretion of the Board of Commissioners of the Port of Palm Beach District, to fund interest in arrears or about to become due. The holder of such outstanding notes, bonds or other obligations, need not pay accrued interest on the refunding bonds to be delivered in exchange therefore if and to the extent that interest is due or accrued and unpaid on such outstanding notes, bonds or other obligations to be surrendered.

(3) If the Board of Commissioners determines to sell any refunding bonds, such refunding bonds shall be sold at not less than ninety-five percent (95%) of the par at either private or public sale, in such manner and upon such terms as the Board of Commissioners shall deem best for the interest of the Port of Palm Beach District.

(Recommended by Sanford and Bennett)

Section 15 14. Expense to be Included in Cost – The cost of any works, projects, properties, improvements or other purposes financed by the issuance of either general obligation bonds or refunding bonds under this article shall may include, but is not limited to, construction costs, engineering, fiscal or financial and legal

expenses, surveys, plans and specifications, interest during construction or acquisition and for one (1) year thereafter, initial reserve funds, discount, if any, on the sale or exchange of bonds, acquisition of real or personal property, and such other costs as are necessary and incidental to the construction or acquisition of such works, projects, properties, improvements or other purposes and financial thereof. The district shall have the power to retain and enter into agreements with engineers, fiscal agents, financial advisors, attorney, architects or other consultants or advisors for the planning, supervision and financing of such works, projects, properties, improvements or other purposes upon which terms and conditions as shall be deemed advisable to the Board of Commissioners of said district.

(Recommended by Sanford and Bennett)

Section **16 15**. Passage of Resolutions – Establishes that Resolutions of bonds can be done at any regular or special meeting.

ARTICLE X REVENUE BONDS OR CERTIFICATES

Section 1. How Issued – The Board of Commissioners of the Port of Palm Beach District shall have the full power to provide by resolution the issuance or sale of revenue bonds or revenue certificates to provide money for any of the purposes for which the Port of Palm Beach District has the power and authority to expend the money, including the power to refund any and all previous issues of bonds, and for any other lawful purposes of the Port of Palm Beach District, and to provide that such revenue bonds **or revenue certificates** and interest thereon shall be payable as hereinafter provided.

(Recommended by Sanford and Bennett)

Section 2. Definitions

(1) “Revenue bonds” shall mean revenue bonds, **certificates** or other obligations payable from the gross or net revenues derived from the port facilities of the district, as provided in the resolution which authorized their issuance, and shall

include both revenue bonds issued to finance port improvements or to refund outstanding obligations, or for both of said purposes.

(Recommended by Sanford and Bennett)

Additional definitions are established for:

- (2) "Port facilities".
- (3) "Port improvements".
- (4) "Outstanding obligations".
- (5) "Governing body".

Section 3. Refunding Revenue Bonds – In addition to the revenue bonds provided for in Section 1 above, said district shall also have power and is hereby authorized to issue its revenue bonds for the purpose of refunding at any time any outstanding obligations have not reached maturity or are not yet subject to call for prior redemption to issue and sell its revenue bonds to (1) refund such outstanding obligations at their maturity or the first date upon which such outstanding obligations are callable prior to the stated dates of maturity thereof, bonds and deposit a sufficient amount of the proceeds of such revenue bonds irrevocably in escrow for the payment at maturity or redemption on the first call date of such outstanding obligations, and (2) to pay all expenses incurred in the issuance thereof. Pending the date upon which such outstanding obligations mature or are first callable subject to redemption prior to maturity the district may invest the moneys so deposited in escrow for the payment of the principal of and interest on said outstanding obligations only in direct obligations of the United States of America or obligations guaranteed by the United States of America maturing not later than the date or dates upon which moneys so deposited in escrow shall be needed for the payment of maturing principal or interest, or the redemption on the first call date, of such outstanding obligations. Said revenue bonds issued to refund such outstanding obligations may be issued in such principal amount as shall be necessary, at the price received at the sale of such revenue bonds, to pay the principal of and interest, and redemption premiums, if any, on such outstanding obligations to the date of maturity of such outstanding obligations, or to the date on which such outstanding obligations shall be callable prior to maturity, and to pay all expenses incurred in the issuance thereof.

(Recommended by Sanford and Bennett)

Section 4. Payment provisions for revenue bonds – Establishes that payments on bonds are derived from Port revenues.

Section 5. Partial pledging of revenues – Establishes that the Port Commission may limit how much revenue is pledged for any bond issuance.

Section 6. Approval, Interest, and Term – Such revenue ~~lands bonds~~ or such refunding bonds as the case may be, may be authorized to be issued under this act to provide funds for the purpose or purposes prescribed in this article, by resolution or resolutions of the Board of Commissioners of said district, and shall take effect immediately upon adoption. ~~It is further provided that notice of intention to pass such resolution shall be published once in a newspaper of general circulation within the district at least fourteen (14) days prior to the meeting at which such resolution is adopted.~~ Said revenue bonds shall bear interest at such rate or rates, not exceeding ~~eight (8%) per annum the legal limit set forth under Florida law,~~ payable semiannually, maybe in one (1) or more series, may bear such date or dates, may mature at such time or times not exceeding forty (40) years from their respective dates, may be payable in such medium of payment, at such place or places within or without the state, ~~may carry such registration privileges,~~ may be subject to such terms or redemption, with or without premium, may be executed in such a manner ~~and~~ may contain such terms, covenants or conditions, ~~and may be in such form, either coupon or registered~~ as such resolutions or subsequent resolutions may provide. Said revenue bonds may be sold, all at one time, or in blocks from time to time, at public or private sale, or if issued to refund outstanding obligations to be refunded thereby, in such manner as the governing body shall determine by resolution, and at such price or prices ~~computed according to standard tables of bond values, as will yield to the purchasers or the holders of the outstanding obligations surrendered in exchange therefore, income at a rate not exceeding eight percent (8%) per annum to the maturity dates of the revenue bonds so sold or exchanged on the money paid or the principal amount of outstanding obligations surrendered therefore to the district~~ ~~as determined by the governing body.~~ Pending the preparation of the definitive revenue bonds, interim certificates or receipts or temporary revenue bonds in such form and with such

provisions as the governing body may determine may be issued to the purchaser or purchasers of revenue bonds issued pursuant to this act. Said revenue bonds, and such interim certificates or receipts or temporary revenue bonds, shall be and constitute negotiable instruments within the meaning of and for all purposes of the law merchant and the Uniform Commercial Code-Investment Securities Law of the State of Florida. Revenue bonds issued pursuant to this act may also be delivered to the contractor or contractors constructing any port improvements in the district to be financed by the issuance of such revenue bonds, in payment for such construction.

(Recommended by Sanford and Bennett)

Section 7. Covenants in resolutions – Establishes all the criteria that may be included in any bond issuance, such as purpose; amount pledged; type of project; appointment of trustee, etc.

Section 8. Validity of Revenue Bonds – Any revenue bonds issued pursuant to this act bearing the signatures of any officer or officers in office on the date of the signing thereof shall be valid and legally binding obligations, notwithstanding that before the delivery thereof and payment therefore any or all of the persons whose signatures appear thereon, **or on any coupon pertaining thereto**, shall have ceased to be officers of the district. The validity of said revenue bonds, **or any of the coupons appertaining thereto**, shall not be dependent on, nor affected by, the validity or regularity of any proceedings relating to the construction or acquisition of such port improvements for which said revenue bonds are issued, or the validity or regularity of any proceedings relating to the establishment and collection of fees, rates, rentals or other charges for the use of the port facilities of said district.

(Recommended by Sanford and Bennett)

Section 9. Lien of revenue bonds – Establishes that all bonds issues shall have a lien of revenues placed upon it.

Section 10. Duty to fix and collect charges – Establishes the obligation of the Port Commission to fix rates and fees to remain solvent.

Section 11. Default provisions – Establishes the procedure should bonds default.

Section 12. Exemption of property and revenues from taxation – Establishes the Port facilities and properties tax exempt.

Section 13. Power to contract – Establishes the Port’s authority to contract with private or public entities.

Section 14. Waiver of other control – Establishes that Port Facilities and structures, once constructed, do not come under other jurisdictional control

Section 15. Covenants of State of Florida – The State of Florida covenants with the holders of any revenue bonds issue pursuant to this act ~~and coupons appertaining thereto~~, that it will not in any manner limit or alter the powers and obligations vested by this act in the district to fix, establish and collect, in the manner provided in this act, fees, rates, rentals or other charges for the port facilities of the district, and to revise the same from time to time whenever necessary, which will always be sufficient to comply with and fully perform the terms of all the covenants and agreements made by the district with the holders of such revenue bonds until all principal of and interest on said revenue bonds and all the costs and expenses in connection with any action or proceedings by and on behalf of the holders of such revenue bonds are fully paid and discharged, or adequate provisions made for the payment or discharge thereof.

(Recommended by Sanford and Bennett)

Section 16. Covenants of District – Establishes that the Port must pledge to bond holders that they will do everything possible to improve Port revenues.

Section 17. Waiver of limitations in any other law – Establishes the authority to construct facilities with bond proceeds without regard to limitations of any other law.

Section 18. Power to issue – Establishes authority to issue or reissue bonds for construction of Port facilities.

Section 19. Expenses to be included in cost – Establishes the authority to include all expenses and costs of construction of Port facilities in the issuance of any bonds.

Section 20. Passage of resolutions – Establishes authority to vote to issuance bonds at any regular or special meeting of the Port Commission.

ARTICLE XI AD VALOREM TAXES

Section 1. Annual Levy – ~~The~~ Subject to Section 1 of Article IX of this act, the Board of Commissioners of the Port of Palm Beach District is hereby authorized and empowered to levy upon all the real and personal taxable property within the confines of said district, ~~a special~~ an ad valorem tax sufficient in an amount to pay the interest becoming due and payable annually upon any bonds issued or to be issued, or money borrowed or to be borrowed by said district for which the full faith and credit of the district is pledged, and also to create a sinking fund for the payment of principal thereof at maturity ~~or earlier redemption~~.

(Recommended by Sanford and Bennett)

Section 2. Special tax – Establishes that no new taxing authority is granted but affirms the current taxing authority.

ARTICLE XII EMPLOYMENT OF PORT MANAGER AND CONSULTANTS

Section 1. Port Manager and Employees – Establishes authority of the Port Commission to appoint a Port Director.

Section 2. Consultants – Establishes authority of the Port Commission to retain consultants.

ARTICLE XIII PUBLICIZING OF PORT FACILITIES

Section 1. General – Establishes that any and all Port advertising shall not exceed 10% of all Port annual revenues.

Section 2. Payment of Vouchers – Establishes that the Port Commission must approve all vouchers or invoices for payment.

ARTICLE XIV BONDS, LEGAL INVESTMENTS

General obligation and refunding bonds and revenue and revenue refunding bonds issued by the port district under the provisions of this act hereby make securities in are legal investments for which all public officers and public bodies of the state and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities, which may properly and legally be deposited with and received by any state or port district officer or any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the port district is now or may hereafter be authorized by law.

(Recommended by Sanford and Bennett)

ARTICLE XV AUDIT

Establishes that the Port Commission shall conduct an annual audit and that the state auditor shall conduct an audit every two years. Also, establishes an audit committee.

ARTICLE XVI INVESTMENT OF PORT FUNDS

Establishes and directs which types of instruments and investments the Port may utilize to invest Port funds.

ARTICLE XVII DISBURSEMENT OF FUNDS

Establishes that the Port Commission may direct the Port Director to disburse funds.

ARTICLE XVIII DEPOSITORIES

Establishes the authority of the Port Commission to designate bank depositories.

ARTICLE XIX ACTION BY RESOLUTION

Establishes that Port Commission action at any regular or special meeting is immediate and does not require any special noticing before going into effect.

ARTICLE XX PUBLIC PURPOSES

Establishes that everything granted in the Port Charter is of Public Purpose.

ARTICLE XXI ADDITIONAL AND ALTERNATIVE METHOD

This act shall be deemed to provide an additional and alternative method for the doing of the things authorized hereby and shall be regarded as supplemental and additional to the powers conferred by any other law, and shall not be regarded as in derogation of any powers now existing nor a limitation thereof. ~~General obligation and refunding bonds and revenue refunding bonds may be issued and any other action may be taken hereunder notwithstanding that any other law may provide for the issuance of such bonds for like purposes or the taking of like action and without regard to the requirements, restrictions or procedural provisions contained in any other law.~~

(Recommended by Sanford and Bennett)

ARTICLE XXII
LIBERAL CONSTRUCTION

Term of art established in the Charter.

ARTICLE XXIII
PROVISIONS OF THIS ACT

Establishes the severability of the Charter in case a portion is found to be unconstitutional.

ARTICLE XXIV
EFFECTIVE DATE

This act shall take effect upon becoming law.