

ORDINANCE NO. 069 -2023

ORDINANCE OF THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AN EIGHTH SUPPLEMENTAL LEASE AGREEMENT BETWEEN THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD AS THE LESSOR AND THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AS THE LESSEE RELATING TO THE ISSUANCE AND SALE OF AN AMOUNT NOT TO EXCEED \$110,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD GENERAL AIRPORT REVENUE AND REVENUE REFUNDING BONDS, 2023 SERIES (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) FOR THE PURPOSES OF (I) FINANCING THE COSTS OF THE 2023 PROJECT TO BE LOCATED AT THE BLUE GRASS AIRPORT IN FAYETTE COUNTY, KENTUCKY (II) REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING PRIOR BONDS ISSUED BY THE BOARD, (III) FUNDING A DEPOSIT TO THE DEBT SERVICE RESERVE FUND AND (IV) PAYING THE COSTS OF ISSUANCE IN CONNECTION THEREWITH.

WHEREAS, the Lexington-Fayette Urban County Airport Board (the “Board”) has determined the need to:

(a) finance the costs of the acquisition of additions, extensions, and improvements to the present airport facilities at Blue Grass Airport, Lexington, Kentucky (the “Airport”), consisting of airport improvements, including a new approximately 50,000 square foot hangar and associated office space, a 120,000 to 150,000-gallon fuel storage facility for bulk storage of aviation fuels that serve all users of the Airport, and general aviation improvements comprised of other terminal renovations including upgrades to restrooms, utilities, HVAC systems, baggage belt system repairs, deicing containment facility, expansion to the airport rescue and firefighting training center building, installation of solar arrays, Gumbert Road improvements and replacement of passenger boarding bridges, all constituting additions, extensions and improvements to the existing airport facilities at the Blue Grass Airport (the “2023 Project”);

(b) refund all or a portion of the remaining outstanding principal amount of its: (a) \$5,400,000 Variable Rate General Airport Revenue Refunding Bonds, Reissued 2009 Series B (Lexington-Fayette Urban County Government General Obligation) (AMT), reissued on March 26, 2013, and currently outstanding in the principal amount of \$5,400,000 (the “Reissued 2009 Series B Bonds”), (b) \$39,095,000 General Airport Revenue and Revenue Refunding Bonds, 2016 Series C (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), currently outstanding in the principal amount of \$26,235,000 (the “2016 Series C Bonds”), and (c) \$32,000,000 General Airport Revenue and Revenue Refunding Bonds, 2019 Series A (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), currently outstanding in the principal amount of \$30,665,000 (the “2019 Series A Bonds” and collectively with the Reissued 2009 Series B Bonds and the 2016 Series C Bonds, the “Prior Bonds”);

(c) fund a deposit to the Debt Service Reserve Fund; and

(d) pay the costs of issuance in connection therewith;

in each case, to serve the needs of the traveling public, the costs of which can be financed (to the extent not otherwise provided) by the issuance of the Series 2023 Bonds of the Board, as hereinafter defined; and

WHEREAS, in connection with such financing of the 2023 Project and the refunding of the Prior Bonds, it is necessary that all actions of the Board and all documents necessary to be executed and delivered by the Board be specifically approved by the Urban County Council of the Lexington-Fayette Urban County Government; and

WHEREAS, the documents identified herein have been prepared and tendered to the Board and this Urban County Council.

NOW, THEREFORE, BE IT ORDAINED BY THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT AS FOLLOWS:

SECTION 1. Approval of Issuance of Series 2023 Bonds.

The Lexington-Fayette Urban County Government (the “Urban County Government”) specifically acknowledges the anticipated issuance by the Board of the following bonds in an aggregate principal amount not to exceed \$110,000,000:

(a) Lexington-Fayette Urban County Airport Board General Airport Revenue and Revenue Refunding Bonds, 2023 Series A (Lexington-Fayette Urban County Government General Obligation) (Non-AMT), (the “2023 Series A Bonds”);

(b) Lexington-Fayette Urban County Airport Board General Airport Revenue and Revenue Refunding Bonds, 2023 Series B (Lexington-Fayette Urban County Government General Obligation) (AMT), (the “2023 Series B Bonds”); and

(c) Lexington-Fayette Urban County Airport Board General Airport Revenue and Revenue Refunding Bonds, 2023 Series C (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), (the “Taxable 2023 Series C Bonds” and collectively with the 2023 Series A Bonds and the 2023 Series B Bonds, the “Series 2023 Bonds”);

in accordance with the terms of the 2023 Series Bond Resolution adopted by the Board on May 24, 2023 (the “2023 Series Bond Resolution”), authorizing the issuance of such Series 2023 Bonds, bearing interest at a fixed rate, a copy of which 2023 Series Bond Resolution is attached hereto as *Exhibit A*.

SECTION 2. Authorization of an Eighth Supplemental Lease.

The Lexington-Fayette Urban County Government hereby approves the Eighth Supplemental Lease Agreement, dated as of August 1, 2023 (the “Eighth Supplemental Lease”), amending and supplementing the Lease Agreement, dated as of November 1, 2008, as supplemented and amended to date (such Lease Agreement, as so supplemented and amended, the “Lease”), between the Board, as lessor, and the Lexington-Fayette Urban County Government, as the lessee, in substantially the form attached hereto as *Exhibit B*, in accordance with the requirements thereof and the Trust Indenture¹.

It is hereby found and determined that the refunding of the Prior Bonds is appropriate and the 2023 Project constitutes airport and air navigation facilities which are used for public purposes. It is further determined that it is necessary and desirable and in the best interests of the Lexington-Fayette Urban County Government to enter into the Eighth Supplemental Lease for the purposes therein specified, and the execution and delivery of the Eighth Supplemental Lease and all representations, certifications and other matters with respect to the Eighth Supplemental Lease, or as may be required by Dinsmore & Shohl, LLP, as Bond Counsel, prior to delivery of the Eighth Supplemental Lease, are hereby approved, ratified and confirmed. In connection with said proposed plan of financing, the Mayor (with the Council Clerk attesting to the Mayor's signature) is hereby authorized and directed to execute the Eighth Supplemental Lease, with such changes in the Eighth Supplemental Lease not inconsistent with this Ordinance and not substantially adverse to the Lexington-Fayette Urban County Government as may be approved by the officials executing the same on behalf of the Lexington-Fayette Urban County Government. The approval of such changes by said officials, and that such are not substantially adverse to the Lexington-Fayette Urban County Government, shall be conclusively evidenced by the execution of the Eighth Supplemental Lease by such officials.

¹ “Trust Indenture” refers to the Trust Indenture , dated as of November 1, 2008, as amended and supplemented, including as amended and supplemented by the Tenth Supplemental Trust Indenture, dated as of August 1, 2023 (entered into in connection with the issuance of the Series 2023 Bonds), all by and between the Board and U.S. Bank Trust Company, National Association (as successor in trust to The Bank of New York Mellon Trust Company, N.A. and successor trustee to U.S. Bank National Association), as trustee (the “Trustee”).

The Lexington-Fayette Urban County Government affirms the Board's right to receive Lease Rental Payments (as defined in the Eighth Supplemental Lease) from the Lexington-Fayette Urban County Government under the Lease and the Eighth Supplemental Lease and further ratifies and approves the Board's assignment of such right to the Trustee (as defined in the Lease) under the Trust Indenture, for the benefit of bondholders.

Upon the issuance of the Series 2023 Bonds, the Lease shall be modified and amended by the Eighth Supplemental Lease.

SECTION 3. Reaffirmation of General Obligation Pledge.

Pursuant to the Constitution of the Commonwealth of Kentucky and the Kentucky Revised Statutes, the obligation of the Lexington-Fayette Urban County Government created by the Lease shall continue as a full general obligation of the Lexington-Fayette Urban County Government and, for the payment of the Lease Rental Payments, as defined therein, the Lexington-Fayette Urban County Government reaffirms its pledge of its full faith, credit and revenue for the prompt payment thereof. During the period the Lease is outstanding, the Lexington-Fayette Urban County Government hereby reaffirms that there shall be and there hereby is levied on all the taxable property in Fayette County, in addition to all other taxes, but within applicable limitations, a direct tax annually (the "Annual GO Tax") in an amount sufficient to pay the debt charges in connection with all bonds and tax-supported leases (including the Lease) financed by the Lexington-Fayette Urban County Government pursuant to Chapter 66 of the Kentucky Revised Statutes (each type of obligation as defined therein and collectively, the "General Obligation Indebtedness"),

The Annual GO Tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. The Annual GO Tax shall be placed before and in preference to all other items and for the full amount thereof provided, however, that in each year to the extent that the other lawfully available monies of the Lexington-Fayette Urban County Government are available for the payment of the General Obligation Indebtedness (including the Lease Rental Payments) and are appropriated for such purpose, the amount of such Annual GO Tax upon all of the taxable property in Fayette County shall be reduced by the amount of such other lawfully available monies so available and appropriated.

The Lexington-Fayette Urban County Government has previously established a sinking fund (the "Sinking Fund") to provide for the payment of the debt charges in connection with the General Obligation Indebtedness, when and as the same fall due. The Lexington-Fayette Urban County Government hereby reaffirms that the funds derived from the Annual GO Tax and/or or other available lawfully available monies shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of the debt charges with respect to such General Obligation Indebtedness (including the Lease Rental Payments), when and as the same fall due.

SECTION 4. Mayor Authorized to Sign Other Documents.

The Mayor (with the Council Clerk attesting to the Mayor's signature) is hereby authorized and directed to execute any further instruments and documents reasonably necessary in carrying out the plan of financing represented by said Lease, including, without limitation, the public approval of such Series 2023 Bonds as may be required by Section 147(f) of the Internal Revenue Code of 1986.

SECTION 5. Effective Immediately upon Enactment and Approval.

This Ordinance shall be effective immediately upon enactment and approval as required by law, and a Notice of Enactment and Summary of the provisions of this Ordinance shall be published by the Urban County Council Clerk as required by law.


INTRODUCED AND GIVEN FIRST READING at a duly convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government on the 15th day of June, 2023.

GIVEN SECOND READING, ENACTED AND ADOPTED at a duly convened meeting of the Urban County Council of the Lexington-Fayette Urban County Government on the 29th day of June, 2023.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: 
Linda Gorton
Mayor

ATTEST:

By: 
Abigail Allan
Urban County Council Clerk

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting Urban County Council Clerk of the Lexington-Fayette Urban County Government, and as such Urban County Council Clerk, I further certify that the foregoing is a true, correct and complete copy of an Ordinance duly enacted by the Urban County Council of the Lexington-Fayette Urban County Government at a duly convened meeting held on the 29th day of June, 2023, on the same occasion signed by the Mayor is evidence of his approval, and such Ordinance is now in full force and effect, all as appears from the official records of the Lexington-Fayette Urban County Government in my possession and under my control.

WITNESS my hand and the seal of said Urban County Government as of the 29th day of June, 2023.



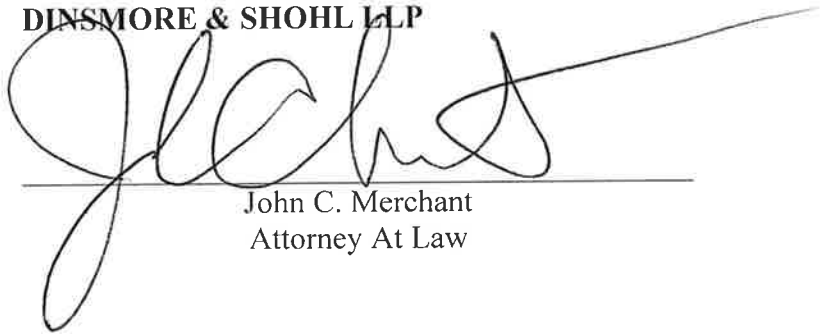
Urban County Council Clerk

[SEAL]

CERTIFICATE

I do hereby certify that the title to this enactment contains an accurate synopsis of the contents thereof and may be used to satisfy the reading and publication requirements of law.

DINSMORE & SHOHL LLP



John C. Merchant
Attorney At Law

EXHIBIT A
2023 SERIES BOND RESOLUTION

[SEE ATTACHED]

LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD

2023 SERIES BOND RESOLUTION

RESOLUTION OF THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD (1) AUTHORIZING AND APPROVING THE ISSUANCE AND SALE OF AN AMOUNT NOT TO EXCEED \$110,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF (A) LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD GENERAL AIRPORT REVENUE AND REVENUE REFUNDING BONDS, 2023 SERIES A (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) (NON-AMT); (B) LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD GENERAL AIRPORT REVENUE AND REVENUE REFUNDING BONDS, 2023 SERIES B (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) (AMT); AND (C) LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD GENERAL AIRPORT REVENUE BONDS, 2023 SERIES C (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) (FEDERALLY TAXABLE); FOR THE PURPOSE OF (I) FINANCING THE COSTS OF CONSTRUCTING AIRPORT FACILITIES, INCLUDING A NEW APPROXIMATELY 50,000 SQUARE FOOT HANGAR AND ASSOCIATED OFFICE SPACE, A 120,000 TO 150,000-GALLON FUEL STORAGE FACILITY FOR BULK STORAGE OF AVIATION FUELS THAT SERVE ALL USERS OF THE AIRPORT, AND GENERAL AVIATION IMPROVEMENTS COMPRISED OF OTHER TERMINAL RENOVATIONS INCLUDING UPGRADES TO RESTROOMS, UTILITIES, HVAC SYSTEMS, BAGGAGE BELT SYSTEM REPAIRS, DEICING CONTAINMENT FACILITY, EXPANSION TO THE AIRPORT RESCUE AND FIREFIGHTING TRAINING CENTER BUILDING, INSTALLATION OF SOLAR ARRAYS, GUMBERT ROAD IMPROVEMENTS AND REPLACEMENT OF PASSENGER BOARDING BRIDGES CONSTITUTING ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE EXISTING AIRPORT FACILITIES AT THE BLUE GRASS AIRPORT IN FAYETTE COUNTY, KENTUCKY AND (II) REFUNDING ALL OR A PORTION OF THE REMAINING OUTSTANDING PRINCIPAL AMOUNT OF THE FOLLOWING PRIOR BONDS: (A) VARIABLE RATE GENERAL AIRPORT REVENUE REFUNDING BONDS REISSUED 2009 SERIES B (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) (AMT); (B) GENERAL AIRPORT REVENUE AND REVENUE REFUNDING BONDS, 2016 SERIES C (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) (FEDERALLY TAXABLE); AND (C) GENERAL AIRPORT REVENUE AND REVENUE REFUNDING BONDS, 2019 SERIES A (LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT GENERAL OBLIGATION) (FEDERALLY TAXABLE); (III) FUNDING THE DEBT SERVICE RESERVE FUND, IF NECESSARY, (IV) PAYING CAPITALIZED INTEREST, (IF ANY); AND

(V) PAYING COSTS OF ISSUANCE IN CONNECTION WITH SUCH SERIES 2023 BONDS (2) AUTHORIZING THE EXECUTION AND DELIVERY OF A TENTH SUPPLEMENTAL TRUST INDENTURE SECURING SUCH SERIES 2023 BONDS, A BOND PURCHASE AGREEMENT, AN EIGHTH SUPPLEMENTAL LEASE AGREEMENT, AND CERTAIN OTHER RELATED DOCUMENTS WITH RESPECT TO SUCH SERIES 2023 BONDS; (3) PROVIDING FOR THE AWARD OF SUCH SERIES 2023 BONDS TO THE UNDERWRITER; (4) APPROVING A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT WITH RESPECT TO SUCH SERIES 2023 BONDS; (5) APPROVING A CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO SUCH SERIES 2023 BONDS, (6) APPROVING AN ESCROW DEPOSIT AGREEMENT, IF ANY, WITH RESPECT TO THE PRIOR BONDS TO BE REFUNDED AND (7) TAKING OTHER RELATED ACTIONS.

WHEREAS, this Lexington-Fayette Urban County Airport Board (the “Board”) by resolution adopted on October 15, 2008 (the “General Bond Resolution”), and by a Trust Indenture, dated as of November 1, 2008 (the “General Trust Indenture” and as amended and supplemented, the “Trust Indenture”), by and between the Board and U.S. Bank Trust Company, National Association, Louisville, Kentucky as Successor Trustee (the “Trustee”) to U.S. Bank National Association, as successor trustee to The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky, has provided for the issuance from time to time of General Airport Revenue Obligations by the Board, secured by a pledge of the Board's General Revenues and further secured by the assignment to the Trustee of the Board's right, title and interest in the Lease, including all Lease Rental Payments, each such issue to be authorized by a Series Resolution, as required by the General Trust Indenture; and

WHEREAS, the Board has determined that it is necessary to finance the costs of the acquisition of additions, extensions, and improvements to the present airport facilities at Blue Grass Airport, Lexington, Kentucky (the “Airport”), consisting of airport improvements, including a new approximately 50,000 square foot hangar and associated office space, a 120,000 to 150,000-gallon fuel storage facility for bulk storage of aviation fuels that serve all users of the Airport, and general aviation improvements comprised of other terminal renovations including upgrades to restrooms, utilities, HVAC systems, baggage belt system repairs, deicing containment facility, expansion to the airport rescue and firefighting training center building, installation of solar arrays, Gumbert Road improvements and replacement of passenger boarding bridges, all constituting additions, extensions and improvements to the existing airport facilities at the Blue Grass Airport (the “2023 Project”); and

WHEREAS, the Board has determined that it is necessary to finance the costs of refunding the Refunded Prior Bonds as defined below; and

WHEREAS, by the authority of Chapter 183, particularly Sections 183.630 to 183.740 of the Kentucky Revised Statutes (the “Act”), the Board is authorized to issue revenue bonds for the purposes of (i) defraying the cost of acquiring, constructing, maintaining, expanding, financing or improving any airport facilities or air navigation facilities or any part thereof or interest therein as

those terms are further described in the Act; and (ii) the payment of any outstanding bonds, in accordance with the procedures prescribed, which are further described in the Act; and

WHEREAS, the Board previously issued its Variable Rate General Airport Revenue Refunding Bonds, Reissued 2009 Series B (Lexington-Fayette Urban County Government General Obligation) (AMT), reissued on March 26, 2013 in the aggregate principal amount of \$5,400,000 and currently outstanding in the aggregate principal amount of \$5,400,000 (the “Prior Reissued 2009 Series B Bonds”), pursuant to the General Bond Resolution and the 2012 Series Bond Resolution adopted by the Board on October 24, 2012 (the “2012 Series Bond Resolution”), and the Trust Indenture, as supplemented and amended by the Fifth Supplemental Trust Indenture, dated as of March 1, 2013 (the “Fifth Supplement”), by and between the Board and the Trustee; and

WHEREAS, the Board previously issued its \$39,095,000 General Airport Revenue and Revenue Refunding Bonds, 2016 Series C (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), currently outstanding in the principal amount of \$26,235,000 (the “Prior 2016C Bonds”), pursuant to the General Bond Resolution and the 2016 Series Bond Resolution adopted by the Board on August 24, 2016 (the “2016 Series Bond Resolution”), and the Trust Indenture, as supplemented and amended by the Seventh Supplemental Trust Indenture, dated as of October 1, 2016 (the “Seventh Supplement”), by and between the Board and the Trustee; and

WHEREAS, the Board previously issued its \$32,000,000 General Airport Revenue and Revenue Refunding Bonds, 2019 Series A (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), currently outstanding in the principal amount of \$30,665,000 (the “Prior 2019A Bonds” and together with the Prior Reissued 2009 Series B Bonds and the Prior 2016C Bonds, the “Prior Bonds”), pursuant to the General Bond Resolution, and the 2019 Series Bond Resolution adopted by the Board on September 25, 2019 (the “2019 Series Bond Resolution”), and the Trust Indenture, as supplemented and amended by the Ninth Supplemental Trust Indenture, dated as of November 1, 2019 (the “Ninth Supplement”), by and between the Board and the Trustee; and

WHEREAS, the Board, in order to (i) pay the costs of the 2023 Project and (ii) refund all or a portion of the remaining outstanding principal amount of the Prior Bonds (such Prior Bonds to be refunded are referred to herein collectively as the “Refunded Prior Bonds”), desires to authorize and approve the issuance and sale of General Airport Revenue Obligations, specifically the Series 2023 Bonds (as defined below), and other actions in connection therewith, by the adoption of this 2023 Series Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD, AS FOLLOWS:

SECTION 1. Definitions and Interpretations. All words and terms defined in the Trust Indenture and all interpretations therein provided shall have the same meanings, respectively, and be subject to the same interpretations as therein provided where used in this 2023 Series Bond Resolution, unless the context or use clearly indicates another or different meaning or intent, except that this 2023 Series Bond Resolution is herein called and may be known as the “2023

Series Resolution,” the Obligations authorized by this 2023 Series Resolution are referred to herein and in the Tenth Supplement (as defined herein), collectively as the “Series 2023 Bonds” and the terms “hereof,” “hereby,” “hereto,” “herein,” and “hereunder,” and similar terms, mean this 2023 Series Resolution.

SECTION 2. Authority. This 2023 Series Resolution is adopted pursuant to the General Bond Resolution, the Trust Indenture, and the Act.

SECTION 3. Authorization, Designation and Purpose of Series 2023 Bonds. It is hereby declared to be necessary to, and the Board may, issue, sell and deliver, as provided and authorized herein, not to exceed \$110,000,000 aggregate principal amount of the following bonds, in one or more subseries on a tax-exempt or taxable basis as hereinafter provided:

(a) Lexington-Fayette Urban County Airport Board General Airport Revenue and Revenue Refunding Bonds, 2023 Series A (Lexington-Fayette Urban County Government General Obligation) (Non-AMT), (the “2023 Series A Bonds”);

(b) Lexington-Fayette Urban County Airport Board General Airport Revenue and Revenue Refunding Bonds, 2023 Series B (Lexington-Fayette Urban County Government General Obligation) (AMT), (the “2023 Series B Bonds”); and

(c) Lexington-Fayette Urban County Airport Board General Airport Revenue and Revenue Refunding Bonds, 2023 Series C (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), (the “Taxable 2023 Series C Bonds” and together with the 2023 Series A Bonds and the 2023 Series B Bonds, the “Series 2023 Bonds”);

which shall be issued as General Airport Revenue Obligations. Such Series 2023 Bonds shall bear such further designations, if any, as the Fiscal Officer (as defined in the General Trust Indenture) deems appropriate including the issuance of tax-exempt and/or taxable series of bonds and such series bond designation as further provided in and set forth in the Bond Purchase Agreement as defined below.

Such Series 2023 Bonds shall be issued for the purposes of (i) financing the costs of the 2023 Project, (ii) refunding the Prior Bonds, (iii) funding the Debt Service Reserve Fund, (iv) paying capitalized interest (if any), and (v) paying costs of issuance in connection with such Series 2023 Bonds. The proceeds from the sale of such Series 2023 Bonds and other moneys of the Board shall be deposited and allocated as provided in Section 6 hereof.

SECTION 4. Terms and Provisions Applicable to the Series 2023 Bonds.

(a) **Form, Numbering and Designation.** The Series 2023 Bonds shall be issued in the form of fully registered obligations as approved by the Fiscal Officer, shall be numbered from 1 upwards, and shall bear such series designation as the Fiscal Officer deems appropriate.

(b) Denomination and Dates. The Series 2023 Bonds shall be in such denominations as requested by the Underwriter (hereafter defined), and shall be dated on the date determined by the Fiscal Officer and may be issued in installments (each installment being a part of the Series 2023 Bonds herein authorized) with final maturity dates approved by the Fiscal Officer, with any final maturity being no later than thirty years from the date the applicable series of Series 2023 Bonds are issued. Any series refunding bonds issued shall not mature beyond the final maturity of the bonds being refunded.

(c) Interest. The Series 2023 Bonds shall bear interest from their respective dates payable on dates approved by the Fiscal Officer, beginning on a date approved by the Fiscal Officer, at the rate or rates per annum determined pursuant to Section 5 hereof, which rates shall be fixed. Such interest rate(s) shall not exceed 7.00% per annum.

(d) Maturities. The Series 2023 Bonds shall mature on such dates, in the years and in the principal amounts set forth in the maturity schedule approved by the Fiscal Officer pursuant to Section 5 hereof.

(e) Redemption Terms and Prices. The 2023 Series A Bonds, the 2023 Series B Bonds and the Taxable 2023 Series C Bonds shall be subject to optional and mandatory redemption on such dates and terms as approved by the Fiscal Officer and set forth in the Tenth Supplement (as defined herein). If less than all of the applicable series of outstanding Series 2023 Bonds are called for redemption at one time, they shall be called in the order of the maturities as directed by the Fiscal Officer. If less than all of the outstanding Series 2023 Bonds of one maturity are to be called, the selection of such Series 2023 Bonds or portions of Series 2023 Bonds of such maturity to be called shall be made by lot in the manner provided in the General Trust Indenture. Notice of call for redemption of Series 2023 Bonds shall be given in the manner provided in the General Trust Indenture.

(f) Place of Payment and Paying Agents. The principal, interest and any redemption premium on registered Series 2023 Bonds shall be payable by check, draft or wire transfer, as provided in the General Trust Indenture.

(g) Execution. The 2023 Series A Bonds, the 2023 Series B Bonds and the Taxable 2023 Series C Bonds shall be executed in the manner provided in the General Bond Resolution and the Tenth Supplement.

SECTION 5. Sale of Series 2023 Bonds. The negotiated sale of the Series 2023 Bonds to Jefferies LLC (the "Underwriter") is hereby authorized at the rates and prices set forth in the Bond Purchase Agreement hereinafter authorized, at such time as the Fiscal Officer shall designate.

SECTION 6. Allocation of Proceeds of Series 2023 Bonds. All of the proceeds from the sale of the Series 2023 Bonds and other lawfully available funds of the Board shall be received by the Fiscal Officer and shall be deposited and allocated as set forth in the Tenth Supplement approved hereby.

SECTION 7. Additional Covenants with respect to Internal Revenue Code of 1986, as Amended. The Board hereby finds and determines that all of the proceeds from the sale of the Series 2023 Bonds will be needed for the purposes set forth in Section 3 hereof. The Board hereby covenants that it will restrict the use of the proceeds of the Series 2023 Bonds in such manner and to such extent, if any, and take such other actions as may be necessary, in view of reasonable expectations at the time of issuance of the Series 2023 Bonds, so that the Series 2023 Bonds (other than any series of Taxable 2023 Series Bonds to which this section does not apply) will not constitute obligations the interest on which is subject to federal income taxation or “arbitrage bonds” under Sections 103(b)(2) and 148 of the Internal Revenue Code of 1986, as amended (the “Code”), and regulations prescribed under such Sections. The Fiscal Officer or any other officer of the Board having responsibility with respect to issuance of the Series 2023 Bonds is hereby authorized and directed to give an appropriate certificate for inclusion in the transcript of proceedings with respect to the Series 2023 Bonds, (other than any series of Taxable 2023 Series Bonds to which this section does not apply) setting forth the facts, estimates and reasonable expectations pertinent under said Sections 103(b)(2) and 148 of the Code. The Fiscal Officer is hereby authorized and directed to create a Rebate Account (which shall be held by either the Board or the Trustee, at the discretion of the Fiscal Officer) if the Fiscal Officer determines such account is necessary so that the Board complies with the rules concerning “rebate” as set forth in the Code, as they apply to the Series 2023 Bonds (other than any series of Taxable 2023 Series Bonds to which this section does not apply).

SECTION 8. Tenth Supplemental Trust Indenture. The Chair of the Board of Directors and any other designated officer of the Board of Directors, including the Vice-Chair, Secretary or Treasurer, or any one of them acting alone, are authorized and directed to execute and deliver to the Trustee in the name of and on behalf of the Board, a Tenth Supplemental Trust Indenture, dated as of the first day of the month in which the Series 2023 Bonds are issued (the “Tenth Supplement”) pursuant to the General Trust Indenture and in connection with the issuance of the Series 2023 Bonds, in the form prescribed by the General Trust Indenture and approved by the officer executing the same on behalf of the Board. The approval of the Tenth Supplement shall be conclusively evidenced by the execution thereof by such officer.

SECTION 9. Lease Agreement. The Chair of the Board of Directors and any other designated officer of the Board of Directors, including the Vice-Chair, Secretary or Treasurer, or any one of them acting alone, are authorized and directed to execute and deliver in the name of and on behalf of the Board, an Eighth Supplemental Lease Agreement, dated as of the first day of the month in which the Series 2023 Bonds are issued (the “Eighth Supplemental Lease”), with the Lexington-Fayette Urban County Government, pursuant to the General Trust Indenture and in connection with the issuance of the Series 2023 Bonds, in the form prescribed by the General Trust Indenture and approved by the officer executing the same on behalf of the Board. The approval of the Eighth Supplemental Lease shall be conclusively evidenced by the execution thereof by such officer.

SECTION 10. Bond Purchase Agreement. The Chair of the Board of Directors and any other designated officer of the Board of Directors, including the Vice-Chair, Secretary or Treasurer, or any one of them acting alone, are authorized and directed to execute and deliver in the name of and on behalf of the Board, a Bond Purchase Agreement, dated the sale date of the Series 2023 Bonds (the “Bond Purchase Agreement”), with the Underwriter in connection with

the issuance of the Series 2023 Bonds, in the usual and customary form, as may be permitted by the Act and the General Trust Indenture and approved by the officer executing the same on behalf of the Board. The approval of the Bond Purchase Agreement shall be conclusively evidenced by the execution thereof by such officer.

SECTION 11. Official Statement. The Chair of the Board of Directors and the Fiscal Officer are hereby authorized and directed to execute and deliver an Official Statement with respect to the Series 2023 Bonds, for the purpose of making available to potential investors the information therein contained, which describes the interest rates and other terms to be borne by and the price to be paid for the Series 2023 Bonds, and such other information with respect to the Board and the Series 2023 Bonds, necessary in the judgment of the Chair of the Board of Directors with the advice of the Fiscal Officer. The Chair of the Board of Directors and the Fiscal Officer are hereby authorized to deem the Preliminary Official Statement, if any, and a final Official Statement “near final” and “final” for purposes of Securities and Exchange Commission Rule 15c2-12, as amended and interpreted from time to time, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Rule”).

SECTION 12. Other Documents. The Chair of the Board of Directors, the Fiscal Officer and any other designated officer of the Board of Directors, including the Vice-Chair, Secretary or Treasurer, or any one of them acting alone, are authorized and directed to execute and deliver in the name of and on behalf of the Board, such other documents, forms and certificates as required in connection with the issuance of the Series 2023 Bonds. The approval of such documents, forms and certificates shall be conclusively evidenced by the execution of such documents and certificates by such officer(s).

SECTION 13. Compliance With Rule 15c2-12. The Board hereby agrees to comply with the provisions of the Rule. In order to comply with the Rule, a Continuing Disclosure Undertaking with respect to the Series 2023 Bonds, in the usual and customary form is hereby authorized and approved, with such modifications and additions as may be approved by the officer of the Board executing the same. The Chair and the Fiscal Officer are each hereby authorized to execute and deliver a Continuing Disclosure Undertaking.

SECTION 14. Open Meetings. The Board hereby finds and determines that all formal actions relative to the adoption of this 2023 Series Resolution were taken in an open meeting of the Board, and that all deliberations of the Board and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 15. Tender and Exchange In Lieu of Redemption. To the extent the refunding of any of the Prior Bonds using the redemption provisions of the Prior Bonds would be treated as a taxable advance refunding under the Internal Revenue Code of 1986, as amended, or in the case of Prior Bonds that are taxable bonds, a refunding using the redemption provisions of the Prior Bonds would not be advantageous to the Board, the Board may utilize a tender and exchange of Series 2023 Bonds of the appropriate tax status for one or more of the Prior Bonds (a “Tender and Exchange”) as a means of refunding such Prior Bonds if such Tender and Exchange is advantageous to the Board. The Chair of the Board of Directors and any other designated officer of the Board of Directors, including the Vice-Chair, Secretary or Treasurer, or any one of them

acting alone, are authorized and directed to execute and deliver in the name of and on behalf of the Board, one or more documents used to make a tender offer for the Refunded Prior Bonds and the use by the Underwriter, any dealer manager or information agent is hereby authorized and approved.

SECTION 16. Escrow Deposit Agreement(s). The Chair of the Board of Directors and any other designated officer of the Board of Directors, including the Vice-Chair, Secretary or Treasurer, or any one of them acting alone, are authorized and directed to execute and deliver to the Trustee, in the name of and on behalf of the Board, one or more Escrow Deposit Agreements relating to the defeasance of the Prior Bonds, if required (as further provided in the Tenth Supplement), in substantially the form(s) described to the Board, as may be permitted by the Act and approved by the officer executing the same on behalf of the Board. The approval of the final Escrow Deposit Agreement(s) shall be conclusively evidenced by the execution of such Escrow Deposit Agreement(s) by such officer.

SECTION 17. Further Authorization. That the proper and appropriate officers of the Board, to the extent authorized by law, are hereby authorized to execute and deliver the closing certificates, if any, with such modifications thereto as may be required by the purchasers of the Series 2023 Bonds and approved by bond counsel to the Board as well as such other documents, certificates and statements as may be so required and so approved in connection with the sale and delivery of the Series 2023 Bonds.

SECTION 18. Provisions in Conflict are Repealed. All resolutions or parts thereof in conflict with the provisions of this 2023 Series Resolution are hereby rescinded to the extent of such conflict.

SECTION 19. Effective Date. This 2023 Series Resolution shall take effect from and after its passage.

[Remainder of page intentionally left blank]

SECTION 20. Copy to be Filed with Trustee. A certified copy of this 2023 Series Resolution shall be filed with the Trustee.

Adopted May 24, 2023.



Chair

Lexington-Fayette Urban County
Airport Board

Attest:



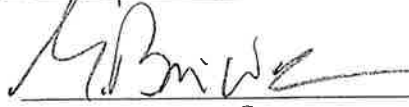
Secretary

Lexington-Fayette Urban County
Airport Board

CERTIFICATION

The undersigned, Secretary of the Lexington-Fayette Urban County Airport Board, hereby certifies that the foregoing is a true copy of a Resolution adopted by the Board of Directors of said Board at a meeting held on May 24, 2023, as recorded in the official Minute Book of said Board of Directors, which is in my custody and under my control, that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825, that a quorum was present at said meeting, and that the aforesaid Resolution is of record in the office of the Board, has not been modified, amended, or rescinded, and is in full force and effect at this date.

WITNESS my signature this 24th day of May, 2023.



Secretary
Lexington-Fayette Urban County
Airport Board

EXHIBIT B
FORM OF EIGHTH SUPPLEMENTAL LEASE

[SEE ATTACHED]

EIGHTH SUPPLEMENTAL LEASE AGREEMENT

DATED AS OF AUGUST 1, 2023

by and between

LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD
(Lessor)

and

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
(Lessee)

Supplementing:
Lease Agreement
Dated as of November 1, 2008
by and between
Lessor and Lessee

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(The Table of Contents is not part of the Lease Agreement,
but for convenience of reference only)

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EIGHTH SUPPLEMENTAL LEASE AGREEMENT

This **EIGHTH SUPPLEMENTAL LEASE AGREEMENT** (“Eighth Supplemental Lease”), made and entered into as of August 1, 2023, by and between the **LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD**, an agency of the Lexington-Fayette Urban County Government, created pursuant to Chapter 183 of the Kentucky Revised Statutes (the “Lessor”), located at 4000 Terminal Drive, Suite 206, Lexington, Kentucky 40510 and the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky created pursuant to Chapter 67A of the Kentucky Revised Statutes and a political subdivision, duly organized and existing under and by virtue of the laws and Constitution of the Commonwealth of Kentucky, as amended (the “Lessee”), located at 200 East Main Street, Lexington, Kentucky 40505.

W I T N E S S E T H:

WHEREAS, the Lessor has heretofore entered into a Lease Agreement dated as of November 1, 2008 (the “Original Lease”), by and between the Lessee and the Lessor relating to the issuance of its Series 2008 Bonds, recorded in the Fayette County Clerk's Office on December 10, 2008 in Deed Book 2848, Page 378; and

WHEREAS, Section 2.02 of the Trust Indenture provides that the Original Lease may be supplemented from time to time whenever Obligations are issued by the Lessor, by the execution and delivery of a supplemental lease; and

WHEREAS, the Lessor has heretofore entered into a First Supplemental Lease Agreement dated as of November 1, 2009 (the “First Supplemental Lease”), by and between the Lessee and the Lessor relating to the issuance of its Series 2009 Bonds, recorded in the Fayette County Clerk's Office on November 20, 2009 in Deed Book 2913, Page 393; and

WHEREAS, the Lessor has heretofore entered into a Second Supplemental Lease Agreement dated as of November 1, 2012 (the “Second Supplemental Lease”), by and between the Lessee and the Lessor relating to the issuance of its Series 2012 Bonds, recorded in the Fayette County Clerk's Office on December 18, 2012 in Deed Book 3119, Page 412; and

WHEREAS, the Lessor has heretofore entered into a Third Supplemental Lease Agreement dated as of March 1, 2013 (the “Third Supplemental Lease”), by and between the Lessee and the Lessor relating to the reissuance of its 2009 Series B Bonds, recorded in the Fayette County Clerk's Office on June 26, 2013 in Deed Book 3163, Page 63; and

WHEREAS, the Lessor has heretofore entered into a Fourth Supplemental Lease Agreement dated as of June 1, 2014 (the “Fourth Supplemental Lease”), by and between the Lessee and the Lessor relating to a line of credit provided by Branch Banking and Trust Company (the “2014 Credit Facility”), recorded in the Fayette County Clerk's Office on February 25, 2015 in Deed Book 3294, Page 81;¹ and

WHEREAS, the Lessor has heretofore entered into a Fifth Supplemental Lease Agreement dated as of October 1, 2016 (the “Fifth Supplemental Lease”), by and between the Lessee and the Lessor relating to the issuance of its Series 2016 Bonds, recorded in the Fayette County Clerk's Office on July 6, 2017 in Deed Book 3506, Page 312; and

WHEREAS, the Lessor has heretofore entered into a Sixth Supplemental Lease Agreement, dated as of September 1, 2018 (the “Sixth Supplemental Lease”), by and between the Lessee and the Lessor, relating to the amendment and extension of the 2014 Credit Facility provided by Truist Bank (formerly known as Branch Banking and Trust Company) (as amended and extended, the “2018 Credit Facility”);² and

WHEREAS, the Lessor has heretofore entered into a Seventh Supplemental Lease Agreement, dated as of November 1, 2019 (the “Seventh Supplemental Lease”), by and between the Lessee and the Lessor, relating to the issuance of its Series 2019 Bonds, recorded in the Fayette County Clerk's Office on May 13, 2020 in Deed Book 3751, Page 173; and;

WHEREAS, the Lessor has determined to provide for the refunding of the Refunded Prior Bonds (as defined herein); and

WHEREAS, the Lessor has further determined that it is necessary to finance the costs of the acquisition of additions, extensions, and improvements to the present airport facilities at Blue Grass Airport, Lexington, Kentucky (the “Airport”), [consisting of airport improvements, including a new approximately 50,000 square foot hangar and associated office space, a 120,000 to 150,000-gallon fuel storage facility for bulk storage of aviation fuels that serve all users of the Airport, and general aviation improvements comprised of other terminal renovations including upgrades to restrooms, utilities, HVAC systems, baggage belt system repairs, deicing containment facility, expansion to the airport rescue and firefighting training center building, installation of solar arrays, Gumbert Road improvements and replacement of passenger boarding bridges, all constituting additions, extensions and improvements to the existing airport facilities at the Airport (the “2023 Project”)]; and

¹ The Fourth Supplemental Lease Agreement was entered into to provide for the lease of the 2014 Project to the Lessee in connection with the issuance of the 2014 Revolving Credit Note under the 2014 Credit Facility. The 2014 Revolving Credit Note was renewed and extended as the 2018 Revolving Credit Note under the 2018 Credit Facility (the “2018 Renewal”), which is secured by the Eighth Supplemental Trust Indenture. The 2014 Revolving Credit Note as originally issued is no longer outstanding. The Sixth Supplemental Lease Agreement was entered into in connection with the 2018 Renewal. The 2014 Project, along with additional improvements, is now referred to as the 2018 Project.

² See Footnote 1.

WHEREAS, the Governing Body (as defined in the Trust Indenture) adopted the 2023 Series Bond Resolution on May 24, 2023 (the “2023 Series Resolution”) which authorized the issuance of the Series 2023 Bonds (as defined herein) in a principal amount not to exceed \$110,000,000, which shall be issued as General Airport Revenue Obligations. Such Series 2023 Bonds shall be issued for the purposes of (i) financing the 2023 Project; (ii) refunding the Refunded Prior Bonds, as defined herein, (iii) funding the Debt Service Reserve Fund, if necessary, (iv) paying capitalized interest, (if any), and (v) paying costs of issuance in connection with such Series 2023 Bonds; and

WHEREAS, the Lessor now seeks to enter into this Eighth Supplemental Lease (which, collectively with the Seventh Supplemental Lease, the Sixth Supplemental Lease, the Fifth Supplemental Lease, the Fourth Supplemental Lease, the Third Supplemental Lease, the Second Supplemental Lease, the First Supplemental Lease and the Original Lease, is referred to collectively hereinafter as the “Lease”), relating to the issuance of the Series 2023 Bonds, which is to be recorded in the Fayette County Clerk's Office; and

WHEREAS, upon the execution, delivery and issuance of the Series 2023 Bonds, the Lessor shall provide the Lessee with original executed counterparts of this Eighth Supplemental Lease, including a new schedule of Lease Rental Payments for all Outstanding Obligations of the Lessor, to be attached as *Exhibit B* to this Eighth Supplemental Lease, as further provided herein;

NOW THEREFORE, in consideration of the Lease Rental Payments to be paid hereunder and the covenants and agreements contained herein, it is agreed by and between the parties as follows:

SECTION 1. Certain Defined Terms and References.

(a) Capitalized terms used herein, unless otherwise defined, shall have the meaning provided in the Trust Indenture and the Lease. In addition to the terms defined elsewhere in this Eighth Supplemental Lease, the following terms have the meanings given below unless the context clearly requires otherwise:

“Code” means the Internal Revenue Code of 1986, as amended.

“Eighth Supplemental Lease” means the Eighth Supplemental Lease Agreement, dated as of August 1, 2023, by and between the Lessor and the Lessee, which supplements the Lease.

“Lease” means collectively, the Original Lease as amended and supplemented from time to time, including as amended and supplemented by the First Supplemental Lease, the Second Supplemental Lease, the Third Supplemental Lease, the Fourth Supplemental Lease, the Fifth Supplemental Lease, the Sixth Supplemental Lease, the Seventh Supplemental Lease and the Eighth Supplemental Lease.

“Lease Rental Payments” means the payments, including the principal and interest components thereof, specified in *Exhibit B* attached hereto and made a part hereof.

“Maximum Rate” means, with respect to the Series 2023 Bonds, [twelve percent (12%)] per annum.

“Original Lease” means the Lease Agreement dated as of November 1, 2008, by and between the Lessee and the Lessor relating to the issuance of the Lessor’s Series 2008 Bonds.

“Project” means collectively, the 1994 Project, the 1998 Project, the 2003 Project, the 2008 Project, the 2014 Project³, the 2016 Project, the 2018 Project, the 2019 Project and the 2023 Project all as described in *Exhibit A* hereto, and any replacements or additions thereto permitted under the Lease, which Project constitutes Airport Facilities.

“Refunded Prior Bonds” means collectively:

(a) A portion in the principal amount of \$ _____ of the Board’s \$5,400,000 Variable Rate General Airport Revenue Refunding Bonds, Reissued 2009 Series B (Lexington-Fayette Urban County Government General Obligation) (AMT), reissued on March 26, 2013 in the aggregate principal amount of \$5,400,000 (as refunded, the “Refunded Prior Reissued 2009 Series B Bonds”),

(b) A portion in the principal amount of \$ _____ of the Board’s \$39,095,000 General Airport Revenue and Revenue Refunding Bonds, 2016 Series C (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), currently outstanding in the principal amount of \$26,235,000 (as refunded, the “Refunded Prior 2016C Bonds”), and

(c) A portion in the principal amount of \$ _____ of the Board’s \$32,000,000 General Airport Revenue and Revenue Refunding Bonds, 2019 Series A (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable), currently outstanding in the principal amount of \$30,665,000 (as refunded, the “Refunded Prior 2019A Bonds”).

“Tenth Supplement” means the Tenth Supplemental Trust Indenture, dated as of August 1, 2023, by and between the Board and the Trustee.

“Trust Indenture” means the Trust Indenture, dated as of November 1, 2008, between the Lessor and the Trustee, as the same may be duly amended, modified or supplemented in accordance with its terms.

“Trustee” means U.S. Bank Trust Company, National Association, Louisville, Kentucky as successor trustee to U.S. Bank National Association, Louisville, Kentucky (as successor trustee to The Bank of New York Mellon Trust Company, N.A., Louisville, Kentucky), and any successor Trustee as determined or designated under or pursuant to the Trust Indenture.

³ The 2014 Project, together with additional improvements, is now referred to as the 2018 Project. See Footnote 1.

“2023 LFUCG Series Ordinance” means Ordinance No. _____-2023 adopted by the Urban County Council on June ____, 2023, with respect to the Series 2023 Bonds.

“Series 2023 Bonds” means, collectively, the 2023 Series A Bonds, the 2023 Series B Bonds and the Taxable 2023 Series C Bonds.

“2023 Project” means the acquisition of additions, extensions, and improvements to the present airport facilities at the Airport, [consisting of airport improvements, including a new approximately 50,000 square foot hangar and associated office space, a 120,000 to 150,000-gallon fuel storage facility for bulk storage of aviation fuels that serve all users of the Airport, and general aviation improvements comprised of other terminal renovations including upgrades to restrooms, utilities, HVAC systems, baggage belt system repairs, deicing containment facility, expansion to the airport rescue and firefighting training center building, installation of solar arrays, Gumbert Road improvements and replacement of passenger boarding bridges, all constituting additions, extensions and improvements to the existing airport facilities at the Blue Grass Airport] (as further described in *Exhibit A* hereto) at the Project Site (as described in *Exhibit C* hereto).

“2023 Series A Bonds” means the Board’s \$ _____ General Airport Revenue and Revenue Refunding Bonds, 2023 Series A (Lexington-Fayette Urban County Government General Obligation) (Non-AMT).

“2023 Series B Bonds” means the Board’s \$ _____ General Airport Revenue and Revenue Refunding Bonds, 2023 Series B (Lexington-Fayette Urban County Government General Obligation) (AMT).

“2023 Series Resolution” means the Series Resolution adopted by the Governing Body on May 24, 2023, which authorized the execution and delivery of the Series 2023 Bonds.

“Taxable 2023 Series C Bonds” means the Board’s \$ _____ General Airport Revenue and Revenue Refunding Bonds, 2023 Series C (Lexington-Fayette Urban County Government General Obligation) (Federally Taxable).

(b) References to sections or exhibits, unless otherwise indicated, are to sections of or exhibits to this Eighth Supplemental Lease.

SECTION 2. Amendments to the Original Lease.

The following terms defined in Section 1 of the Lease are hereby amended and restated as follows:

Exhibit A to the Lease is hereby amended and restated in its entirety by replacing it with *Exhibit A* attached hereto. Exhibit B to the Lease is hereby amended and restated in its entirety by replacing it with *Exhibit B* attached hereto.

SECTION 3. Lease of Project.

Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Project in accordance with the provisions of this Eighth Supplemental Lease, to have

and to hold for the Lease Term; provided that the Lessor shall continue to maintain and operate the Airport as provided in Chapter 183 of the Kentucky Revised Statutes. Upon and during the acquisition, construction, installation and equipping of the Project, all leasehold rights granted to Lessee by Lessor under this Eighth Supplemental Lease shall vest in Lessee, without any further action on the part of Lessor.

SECTION 4. Acceptance of Project.

The Lessee hereby certifies to the Lessor its acceptance of the Project.

SECTION 5. Lease Rental Payments.

(a) Lessee agrees to pay to Lessor during the Lease Term, the Lease Rental Payments specified in *Exhibit B*. The interest component of the Lease Rental Payments shall not exceed the applicable Maximum Rate. The Lease Rental Payments during the Lease Term will be absolute and unconditional in all events; provided that, no Lease Rental Payments will be due from the Lessee so long as, at least three Business Days prior to the applicable Payment Date, the amount required to pay Debt Service Charges on the Outstanding Obligations is on deposit in the Debt Service Payment Account of the Debt Service Fund, other than as a result of (i) the transfer of an amount from the Debt Service Reserve Fund that causes the amount in the Debt Service Reserve Fund to be less than the Debt Service Reserve Requirement or (ii) a draw on a Debt Service Reserve Fund Credit Instrument. If the Trustee has transferred amounts from the Debt Service Reserve Fund to the Debt Service Fund, the Lease Rental Payment then due shall be the amount (i) required to cause the amount on deposit in the Debt Service Reserve Fund to equal the Debt Service Reserve Requirement and/or (ii) the amount required to reimburse the draw made on the Debt Service Reserve Fund Credit Instrument. If a Lease Rental Payment has not been included in the budget of the Urban County Government for the fiscal year in which a payment is required, at the meeting of the Urban County Council immediately succeeding receipt of notice from the Trustee that such payment is required, such budget shall be amended to include all remaining Lease Rental Payments for that fiscal year.

(b) Lessee agrees to deposit the Lease Rental Payments in the Sinking Fund and to pay from the Sinking Fund directly to the Trustee, the Lease Rental Payments specified in *Exhibit B*, for deposit directly in the Debt Service Payment Account of the Debt Service Fund and such Lease Rental Payments shall not be deemed revenues or assets of the Lessor. Each payment shall be applied first to payment of the interest component of the Lease Rental Payment to which it relates; provided, however, Lessee may make advance payments of principal components of Lease Rental Payments. Such Lease Rental Payments shall correspond to the payments due with respect to the Debt Service Charges on the Outstanding Obligations.

SECTION 6. Actions Relating to Tax Exemption of Interest Components.

(a) The Lessor and the Lessee each covenant that it will restrict the use of moneys realized under this Eighth Supplemental Lease in such manner and to such extent, if any, as may be necessary, after taking into account reasonable expectations at the time of entering into this Eighth Supplemental Lease, so that there will not exist at any time any obligation in connection with this Eighth Supplemental Lease or the Project that constitutes an obligation the interest on

which is includable in gross income for federal income tax purposes or constitutes an “arbitrage bond” under Section 148 of the Code, and the regulations prescribed under that Section and any subsequent amendments or modifications thereto (other than related to the Taxable 2023 Series C Bonds, the interest on which is subject to federal taxation). Any officer of the Lessor or Lessee having responsibility with respect to the execution and delivery of this Eighth Supplemental Lease shall, alone or in conjunction with any other officer, employee or agent of or consultant to the Lessor or Lessee, give an appropriate certificate of the Lessor or Lessee pursuant to Sections 103 and 148 of the Code and those regulations, setting forth the reasonable expectations of the Lessor or Lessee on the date of entering into this Eighth Supplemental Lease regarding this Eighth Supplemental Lease and the use of those moneys (other than related to the Taxable 2023 Series C Bonds, the interest on which is subject to federal taxation). If required, Lessee agrees to complete and file or cause to be filed in a timely manner an information reporting return on IRS Forms 8038-G and 8038, as applicable, with respect to this Eighth Supplemental Lease as required by the Code.

(b) The Lessor and the Lessee each represent and covenant that it will not use the Project, or permit the Project to be used, in such a manner as would result in the loss of the exclusion from gross income for federal income tax purposes of the portion of the Lease Rental Payments designated as the interest component on *Exhibit B*, afforded under Section 103(a) of the Code (except for the interest related to the Taxable 2023 Series C Bonds).

(c) With respect to the 2023 Series A Bonds, the Lessor and the Lessee each represent and covenant that it will not take any actions which will violate any of the provisions of the Code, or would cause such 2023 Series A Bonds to become “private activity bonds” within the meaning of the Code.

(d) The Lessor and the Lessee each covenant to take all action required to maintain exclusion from gross income for federal income tax purposes afforded under Section 103(a) of the Code, of the portion of the Lease Rental Payments designated as the interest component on *Exhibit B* hereto (except for the interest related to the Taxable 2023 Series C Bonds).

SECTION 7. Assignment by the Lessor.

As security for the payment and performance by the Lessor of all of its Obligations under the Trust Indenture, including particularly the payment of the principal of and interest on the Series 2023 Bonds and the payment of all amounts due or to become due thereunder, but excluding any termination payments under any Interest Rate Hedge Agreement, the Lessor has assigned to the Trustee, under and pursuant to the Trust Indenture, all of the Lessor's right, title and interest in, to and under this Eighth Supplemental Lease, including but not limited to the right to receive the Lease Rental Payments and other amounts due hereunder.

SECTION 8. Headings.

All section headings contained in this Eighth Supplemental Lease are for convenience of reference only and are not intended to define or limit the scope of any provision of this Eighth Supplemental Lease.

SECTION 9. Governing Law.

This Eighth Supplemental Lease shall be construed in accordance with and governed by the laws of the Commonwealth.

SECTION 10. Delivery of Related Documents.

Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by this Eighth Supplemental Lease.

Lessor and Lessee agree that this Eighth Supplemental Lease or any other appropriate documents may be filed or recorded to evidence the parties' respective interests in the Project and this Eighth Supplemental Lease.

SECTION 11. Entire Agreement; Amendment; Severability.

(a) This Eighth Supplemental Lease, together with attachments and exhibits, and other documents or instruments executed by Lessee and Lessor in connection with this Eighth Supplemental Lease, including the 2023 LFUCG Series Ordinance, constitute the entire agreement between the parties with respect to the lease of the Project.

(b) This Eighth Supplemental Lease may not be modified, amended, altered or changed except with the written consent of the Lessee and the Lessor.

(c) If any provision of, or any covenant, obligation or agreement contained in this Eighth Supplemental Lease is determined by a court to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained in this Eighth Supplemental Lease. The invalidity or unenforceability shall not affect any valid or enforceable application thereof, and each such provision, covenant, obligation or agreement shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

[Remainder of page intentionally left blank]

[Signature page to the Eighth Supplemental Lease Agreement]

IN WITNESS WHEREOF, the parties have executed this Eighth Supplemental Lease by their authorized officers on the dates of the respective acknowledgments as of the date first written above.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**

By: _____
Linda Gorton
Mayor

ATTEST:

By: _____
Abigail Allan
Urban County Council Clerk

**LEXINGTON-FAYETTE URBAN COUNTY
AIRPORT BOARD, Lessor**

By: _____
Chair
Lexington-Fayette Urban County
Airport Board

ATTEST:

By: _____
Secretary
Lexington-Fayette Urban County
Airport Board

[Notary Page for the Lexington-Fayette Urban County Government]

COMMONWEALTH OF KENTUCKY)
) **SS:**
COUNTY OF FAYETTE)

The foregoing instrument was acknowledged before me this ___ day of _____, 2023, by Linda Gorton, as Mayor of the Lexington-Fayette Urban County Government, an urban county and political subdivision of the Commonwealth of Kentucky, on behalf of said Lexington-Fayette Urban County Government.

Notary Public

My commission expires: _____

(SEAL)

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF FAYETTE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023, by Abigail Allan, as Clerk of the Urban County Council of the Lexington-Fayette Urban County Government, an urban county and political subdivision of the Commonwealth of Kentucky, on behalf of said Lexington-Fayette Urban County Government.

Notary Public

My commission expires: _____

(SEAL)

[Notary Page for the Lexington-Fayette Urban County Airport Board]

COMMONWEALTH OF KENTUCKY)
) **SS:**
COUNTY OF FAYETTE)

The foregoing instrument was acknowledged before me this ___ day of _____, 2023, by _____, as Chair of the Lexington-Fayette Urban County Airport Board, an agency of the Lexington-Fayette Urban County Government, on behalf of said Board.

Notary Public

My commission expires: _____

(SEAL)

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF FAYETTE)

The foregoing instrument was acknowledged before me this ___ day of _____, 2023, by _____, as Secretary of the Lexington-Fayette Urban County Airport Board, an agency of the Lexington-Fayette Urban County Government, on behalf of said Board.

Notary Public

My commission expires: _____

(SEAL)

This instrument was prepared by:

John C. Merchant, Esq.
Attorney at Law
Dinsmore & Shohl LLP
255 East Fifth Street, Suite 1900
Cincinnati, Ohio 45202

EXHIBIT A

PROJECT DESCRIPTION

1994 PROJECT DESCRIPTION

Proceeds from the 1994 Series B Bonds were used to refund certain outstanding short-term debt, reimburse the Board for certain owner's costs incurred in completing various improvements to the Airport including an employee parking lot and to purchase a new chiller for the Airport's Terminal building HVAC system.

1998 PROJECT DESCRIPTION

Proceeds from the 1998 Bonds were used to pay the cost of constructing a multi-level automobile parking deck adjacent to the Terminal building. At the time of issuance, it was anticipated that the parking deck would be used primarily for public parking, but that rental car companies doing business on the Airport would use the remaining portion of the parking deck for rental car ready/return functions. Accordingly, the proceeds from the 1998 Series A Bonds were used to pay that portion of the construction cost attributable to the public parking portion of the parking deck and the 1998 Series B Bonds were used to pay the rental car portion of the parking deck. As of the date of this Report, no portion of the parking deck has been used for any rental car related purpose. Proceeds of the 1998 Series C Bonds were used to refund an outstanding bank note.

2003 PROJECT DESCRIPTION

Proceeds from the 2003 Series A Bonds were used to pay in part various airfield, Terminal concourse additions and other Terminal area related improvements. Proceeds of the 2003 B Bonds were used to fund, in part, the costs of constructing a rental car ready/return automobile parking facility. Part of the cost of the ready/return facility was to relocate an air freight building located on the site of the ready/return facility.

2008 PROJECT DESCRIPTION

1. Relocate Runway 8/26

Replacement of Runway 8/26, including the construction of 4,000 feet by 75 feet runway and taxiway system, apron areas, access roads, NAVAIDs, and removal of existing Runway 8/26 and related areas. The major components of the proposed project include, but are not limited to, the following items:

- (i) Construct 4,000' long x 75' wide Runway 9/27 with parallel taxiway network to B-II criteria, and provide Runway/Taxiway centerline separations and Runway Safety Areas (RSA) to C-II criteria;
- (ii) Remove existing Runway 8/26 and associated taxiway pavements;

- (iii) Remove existing Taxiway C pavement west of Runway 4/22;
- (iv) Construct an access road to GA facilities;
- (v) Construct other infrastructure and drainage improvements associated with the construction of the access road;
- (vi) Construct new Taxiway B;
- (vii) Construct remote large aircraft parking area;
- (viii) Construct approximately 72,000 square yard GA apron;
- (ix) Provide infrastructure for self-service fuel system (by others);
- (x) Construct one 8-unit and one 10-unit T-Hangar buildings (NON-AIP/PFC);
- (xi) Relocate existing or install new Runway 22 Glide Slope;
- (xii) Relocate the Low Level Wind Shear Alert System (LLWAS), Automated Surface Observing System (ASOS), Stand-Alone Weather Sensor (SAWS) and Remote Transmitter/Receiver (RTR) facilities;
- (xiii) Potentially relocate Runway 22 Precision Approach Path Indicator (PAPI) system;
- (xiv) Install new visual navigational aids (PAPIs and REILs) and Medium Intensity Runway Light (MIRL)/Medium Intensity Taxiway Light (MITL) systems for Runway 9-27 and associated taxiways; and
- (xv) Provide landscape screening and features to mitigate potential visual impacts to NHRP listed cultural resources, per forthcoming EA/SHPO MOA/FAA NEPA finding.

2. Taxiway D Realignment

This project includes the design and construction related to the relocation of Taxiway D. To accommodate the proposed new Taxiway D alignment, utilities will have to be relocated and four buildings will have to be removed.

3. Sanitary Sewer Improvements

This project will include the construction of a new force main from the Airport's main pump station to the Mint Lane pump station near Dunbar High School. This project also includes approximately 9,000 linear feet of six inch PVC pipe and minor improvements to the Airport's main pump station.

4. Terminal Interior Renovations – Phase II

This project includes the design and renovation of 13,000 square feet of baggage claim space and 22,000 square feet of ticket lobby and public space. This project includes the repairing and/or replacement of the existing flooring, replacing the existing ceiling system, and wall finishes in the baggage claim and ticket lobby. The existing lighting fixtures will be replaced with energy efficient fixtures and the existing restroom will be enlarged.

5. Terminal Curb Front Improvements

This project consists of the design and renovation of the exterior of the passenger Terminal curbside. The Terminal curb front improvements include the removal and replacement of approximately 6,000 square feet of existing exterior column wraps, approximately 28,000 square feet of curbside canopy and replacement of inadequate curbside lighting. Also included will be the replacement of curbside signage.

2014 PROJECT DESCRIPTION

Following the amendment and extension of the 2014 Credit Facility through the execution of the 2018 Credit Facility, the 2014 Project, together with additional improvements, is now referred to as the 2018 Project (as described herein).

2016 PROJECT DESCRIPTION

The 2016 Project consists of the acquisition of additions, extensions, and improvements to the present airport facilities at the Airport, consisting of constructing airport facilities, including baggage belt replacements, parking facility improvements, a car rental maintenance facility and general aviation improvements comprised of the construction of hangars, a fence relocation for Versailles Road access and other terminal renovations constituting additions, extensions and improvements to the existing airport facilities at the Blue Grass Airport.

2018 PROJECT DESCRIPTION

The 2018 Project consists of:

1. Continuation of interim financing for the 2014 Project which consists of the following:
 - (a) construction of a new approximately 54,000 square foot maintenance facility, which will include a maintenance garage, offices, a warehouse, and storage for snow removal and field maintenance equipment;
 - (b) movement of approximately 500,000 cubic yards of fill material to allow construction of Taxiway D and a new Aircraft Rescue and Firefighting Facility;

(c) construction of the new approximately 27,000 square foot Aircraft Rescue and Firefighting Facility, which will include offices, housing for officers, training rooms, and storage of public safety vehicles;

(d) realignment of Taxiway A and the construction of Taxiway C;

(e) realignment of the northernmost section of Taxiway A;

2. Additional improvements to be financed through the 2018 Credit Facility:

(a) demolition of old Aircraft Rescue and Fire Fighting facility;

(b) demolition of a general aviation hangar;

(c) runway rehabilitation and safety modifications projects, which will include in-depth pavement testing, a runway safety area determination, initial safety coordination, preliminary design and development;

(d) acquisition of equipment including but not limited to aircraft rescue and firefighting equipment, and

(e) the acquisition, equipping, furnishing and installation of other capital expenditures at Blue Grass Airport, Lexington, Kentucky.

2019 PROJECT DESCRIPTION

The 2019 Project consists of the acquisition of additions, extensions, and improvements to the present airport facilities at Blue Grass Airport, Lexington, Kentucky, consisting of airport improvements, including terminal improvements, general aviation development projects and land acquisition, to the existing airport facilities at the Blue Grass Airport.

2023 PROJECT DESCRIPTION

[The 2023 Project consisting of airport improvements, including a new approximately 50,000 square foot hangar and associated office space, a 120,000 to 150,000-gallon fuel storage facility for bulk storage of aviation fuels that serve all users of the Airport, and general aviation improvements comprised of other terminal renovations including upgrades to restrooms, utilities, HVAC systems, baggage belt system repairs, deicing containment facility, expansion to the airport rescue and firefighting training center building, installation of solar arrays, Gumbert Road improvements and replacement of passenger boarding bridges, all constituting additions, extensions and improvements to the existing airport facilities at the Blue Grass Airport.]

[SEE ATTACHED AIRPORT PROPERTY MAP]

EXHIBIT B
LEASE RENTAL PAYMENTS

[SEE ATTACHED]

EXHIBIT C
PROJECT SITE

[SEE ATTACHED]