



**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	<u>\$ 6,641</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u><b>\$6,641</b></u>	_____	_____	_____	_____
# ADDITIONAL FTE	_____	_____	_____	_____	_____
POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes \_\_\_\_\_ No X  
 Budget Account No: Fund 4100 Department 120 Unit various Rsource various  
 Reporting Category \_\_\_\_\_

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

Fiscal impact will be in the form of rental credits applied to future amounts payable by the tenant, offset by the sale of miscellaneous assets (furniture/fire extinguishers) to Landmark. The assets to be sold are a few years old and have limited value. Staff believes the bulk sale to Landmark will produce the greatest amount of net sales revenue.

C. Departmental Fiscal Review: *CM Scimm*

**III. REVIEW COMMENTS**

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

*[Signature]* 11/30/11  
 OFMB VA 11/29/11 11/25/11

*[Signature]* 12/9/11  
 Contract Dev. and Control  
 12-8-11 *A. Wheeler*

**B. Legal Sufficiency:**

This amendment complies with our review requirements.

*[Signature]* 12/12/11  
 Assistant County Attorney

**C. Other Department Review:**

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

**FIRST AMENDMENT TO FIXED BASE OPERATOR LEASE AGREEMENT  
BETWEEN PALM BEACH COUNTY AND PIEDMONT HAWTHORNE AVIATION, LLC  
D/B/A LANDMARK AVIATION**

This First Amendment to Fixed Based Operator Lease Agreement (this "Amendment") is made and entered into this \_\_\_\_\_, 2011 by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Piedmont Hawthorne Aviation, LLC, d/b/a Landmark Aviation, a Delaware limited liability company, having its office and principal place of business at 1500 CityWest Boulevard, Suite 600, Houston, Texas 77042 ("Tenant").

**WITNESSETH:**

**WHEREAS**, County, by and through its Department of Airports, owns and operates the North Palm Beach County General Aviation Airport and Palm Beach County Glades Airport, both of which are located in Palm Beach County, Florida; and

**WHEREAS**, County issued a Request for Proposals for Fixed Base Operator Lease Agreement at the North Palm Beach County General Aviation and Palm Beach County Glades Airports, RFP No. NCGL 10-5 for the provision of fixed base operator services at both airports; and

**WHEREAS**, the parties entered into that certain Fixed Base Operator Lease Agreement dated July 20, 2010 (R-2010-1109), (the "Lease"); and

**WHEREAS**, the parties now desire to amend the Lease as provided for herein.

**NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, and other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

1. The foregoing recitals are true and correct and are hereby incorporated herein by reference. Terms not defined herein shall have the meanings set forth in the Lease.
2. Exhibit "E" to the Lease is hereby replaced with Exhibit "E" to this Amendment.
3. Article 2, Definitions, is hereby amended to delete Section 2.35 in its entirety.
4. Article 4, Premises and Privileges, Section 4.08 of the Lease is hereby deleted in its entirety and replaced with the following:

**4.08 Airport Access Gates.** All gate access cards (the "Gate Cards") providing airfield access shall be issued by County or Tenant, on behalf of County as provided for herein. County has established a non-refundable application fee of Twenty Five Dollars (\$25) for each new Gate Card issued and a fee of Fifty Dollars (\$50) for each lost or unreturned Gate Card. The fees set forth in this Section 4.08 may be modified from time to time upon thirty (30) days prior written notice to Tenant.

- (A) Tenant shall be responsible for the security of all Gate Cards issued to Tenant's officers, employees, subtenants and contractors. Tenant shall be responsible for ensuring that all Gate Cards issued to Tenant's officers, employees or contractors are returned to County upon the expiration or earlier termination of this Lease.

- (B) County may provide a small inventory of no more than five (5) Gate Cards to Tenant for issuance to its subtenants and contractors on behalf of County in accordance with the Department's policy regarding issuance of Gate Cards, as may be amended from time to time. Tenant shall collect on behalf of County any required applications and fees related to the issuance of new Gate Cards on behalf of County. Any applications and fees collected by Tenant on behalf of County shall be promptly delivered to County.
- (C) Tenant shall collect on behalf of County any fees or Gate Cards issued by County or Tenant to Tenant's subtenants or contractors upon the termination of Tenant's contractual relationship with such subtenant or contractor. All Gate Cards collected by Tenant on behalf of County shall be promptly returned to County. Commencing November 1, 2011, Tenant shall be responsible for payment of any fees for lost or unreturned Gate Cards issued to Tenant, its officers, employees, subtenants and contractors.

5. Article 9, Obligations of Tenant, is hereby amended to add the following:

**9.16 Vehicle Storage.** Tenant shall not permit the parking of or the temporary or permanent storage of boats, recreational vehicles, utility trailers, campers, or any other objects unrelated to the purposes for which the Premises have been leased.

6. Article 10, Maintenance and Repair, Section 10.04(D) of the Lease is hereby deleted in its entirety and replaced with the following:

- (D) Tenant shall cause the existing roof on Building 11600 at the North Palm Beach County General Aviation Airport to be replaced within six (6) months of the date of the Department's approval of Tenant's roofing contractor and replacement proposal. Tenant shall be entitled to reimbursement in the form of a rental credit against future amounts payable hereunder by Tenant for the actual cost of the repairs completed pursuant to this paragraph. Requests for reimbursement shall be accompanied by original invoices or receipts issued by the contractor, vendor or supplier and shall be signed by an authorized officer of Tenant, who shall certify that all expenses claimed have been paid by Tenant.

7. Article 10, Maintenance and Repair, Section 10.05(A) of the Lease is hereby deleted in its entirety and replaced with the following:

**10.05 Operation and Maintenance of Fuel Farms.**

- (A) Tenant shall have the right to utilize the existing Fuel Farms located on the Premises for its fueling operations hereunder subject to compliance with the terms and conditions of this Section 10.05. Except as otherwise provided for herein, Tenant shall be responsible for ensuring that the Fuel Farms are maintained in good and safe condition consistent with good business practices, industry standards and in accordance with all federal, state and local laws, rules, regulations and requirements, as now or hereafter amended or promulgated, including, without limitation, FAA advisory circulars and the Florida Fire Prevention Code. Tenant shall notify County of any inspections performed on the Fuel Farms and provide County with legible copies of the resulting inspection reports within ten (10) days of receipt of such reports. Tenant shall promptly commence and diligently pursue to completion repair of any defects and/or perform any

maintenance necessary as identified in the inspection reports upon receipt of prior written approval by County.

8. Article 11, Utilities, of the Lease is hereby amended to add the following:

**11.04 Utility Credits.** County shall reimburse Tenant in the amount of Three Thousand Nine Hundred Six Dollars (\$3,906.00) for County's estimated electrical usage for the runway and airport operational lighting at the Palm Beach County Glades Airport for the first Lease Year. Tenant acknowledges that County has installed a digital electrical meter to determine County's electrical usage for the runway and airport operational lighting. For the second Lease Year and each Lease Year thereafter, County shall reimburse Tenant on an annual basis at the then current utility rate based upon County's metered electrical usage after the end of each Lease Year. The reimbursements provided for in this Section 11.04 shall be in the form of rental credit(s) against amounts payable by Tenant hereunder.

9. Article 17, Assignment, Transfer and Subletting, Section 17.02 of the Lease is hereby deleted in its entirety and replaced with the following:

**17.02 Subleasing.**

- (A) Tenant shall have the right to sublease the Premises subject to the terms and conditions of this Section 17.02 and, except as otherwise provided for in Section 17.02(C) below, the prior written consent of the Department, which consent shall not be unreasonably withheld, conditioned or delayed.
- (B) Tenant shall provide County with its standard form lease(s) for the sublease of the Storage Hangars for review and approval. The standard form lease(s) may be modified from time to time subject to County's review and approval. Unless otherwise approved in writing by County, Tenant shall use the approved standard form lease(s) for the sublease of the Storage Hangars. Tenant acknowledges and agrees that the Storage Hangars shall be used exclusively for the storage of aircraft and for no other purposes whatsoever. Tenant shall not permit the Storage Hangars to be used for commercial purposes or aircraft maintenance, with the exception of preventive maintenance on the Registered Aircraft, of the kind and to the extent permitted by Title 14, Part 43.3 Appendix A, paragraph (C) of the Code of Federal Regulations entitled "Preventive Maintenance", as may be amended from time to time.
- (C) For subleases of the Storage Hangars with a term of less than six (6) months, Tenant shall not be required to obtain County's prior written consent; provided that the form of the sublease was approved by County pursuant to Section 17.02(B) above. Tenant shall provide copies of all such subleases to County for confirmation by County that such subleases comply with the terms and conditions of this Lease and that the uses permitted under the subleases conform to the uses permitted under this Lease.
- (D) All subleases shall be subject to the same conditions, obligations, and terms as set forth herein and Tenant shall be fully responsible for the observance by its subtenants of the terms and conditions contained in this Lease. All subleases entered into by Tenant after the Commencement Date shall contain a statement acknowledging that the sublease is subject and subordinate to this Lease. Tenant

shall promptly notify County of the termination of any subleases for use of the Premises.

10. Article 17, Assignment, Transfer and Subletting, is hereby amended to add the following:

**17.03 Existing Subleases.** Subject to the terms and conditions of this Lease, County hereby consents to those certain sublease agreements in effect prior to the Effective Date of this Lease as more fully described in the attached Exhibit "G" (the "Sublease Agreements"). County and Department expressly reject any provision of the Sublease Agreements, which purport to grant the subtenant any greater rights than provided to Tenant under this Lease. This consent shall not impose any additional obligations on County or otherwise affect any of the rights of County under this Lease. This consent shall not operate as a waiver of any prohibition against further Assignment or subletting without Department's consent as provided in Articles 17.01 and 17.02.

11. County agrees to sell and Tenant to purchase the fire extinguishers located at the Airports listed in the attached Exhibit "H". The purchase price of the fire extinguishers shall be Two Thousand Sixty Five Dollars (\$2,065.00) and shall be payable within ten (10) business days of the effective date of this Amendment. Tenant acknowledges and agrees Tenant is accepting the fire extinguishers in their "AS IS CONDITION" and that County is providing no warranties or representations whatsoever regarding the fire extinguishers, including, without limitation, the condition of the fire extinguishers or Tenant's ability to utilize the fire extinguishers for Tenant's intended purpose.

12. County agrees to sell and Tenant agrees to purchase the furniture located at the Palm Beach County Glades Airports listed in the attached Exhibit "I". The purchase price of the furniture shall be One Thousand Two Hundred Dollars (\$1,200.00) and shall be payable within ten (10) business days of the effective date of this Amendment. Tenant acknowledges and agrees Tenant is accepting the furniture in its "AS IS CONDITION" and that County is providing no warranties or representations whatsoever regarding the furniture, including, without limitation, the condition of the furniture or Tenant's ability to utilize the furniture for Tenant's intended purpose.

13. County hereby agrees to reimburse Tenant in the amount of Six Thousand Dollars (\$6,000.00) for the loss of rental revenues on Hangar 11250-7 at the North Palm Beach County General Aviation Airport as result of repairs performed by County during the months of June 2010 and July 2010. Reimbursement shall be in the form of a rental credit or credit(s) against amounts payable by Tenant hereunder. The parties acknowledge and agree that this reimbursement is made pursuant to the prior Management Agreement for Fixed Based Operator Services at North Palm Beach County General Aviation Airport (R-2004-1798), as amended.

14. Except as modified herein, all terms and conditions of the Lease shall remain in full force and effect.

15. This Amendment shall become effective when signed by both parties and approved by the Palm Beach County Board of County Commissioners.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment, or have caused the same to be executed by their duly authorized representatives, as of the day and year first above written.

ATTEST:

SHARON R. BOCK  
Clerk and Comptroller

By: \_\_\_\_\_  
Deputy Clerk

PALM BEACH COUNTY, a political  
subdivision of the State of Florida by  
its Board of County Commissioners

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

(SEAL)

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By: \_\_\_\_\_  
Assistant County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS

By: [Signature]  
Director, Department of Airports

Signed, sealed and delivered in the  
presence of two witnesses for  
TENANT:

[Signature]  
Signature  
Sofia C. Gyomai  
Print Name  
[Signature]  
Signature  
Apolonia Fanniacci  
Print Name

TENANT:  
Piedmont Hawthorne Aviation, LLC,  
d/b/a Landmark Aviation

By: [Signature]  
Signature  
R. Allen Ashcraft, Jr.  
Print Name  
Executive VP + Secretary  
Title

(SEAL)

**EXHIBIT "E"**

**REQUIRED IMPROVEMENTS**

<b>NORTH COUNTY AIRPORT</b>	
<b>Description</b>	<b>Completion Schedule</b>
Terminal Building (11600), which shall include:  - painting of exterior of building, including trim -refurbishment/renovation of lobby, restrooms, pilot shower room and pilot lounge, including installation of new furniture in lobby and pilot lounge	Within 24 months from the Commencement Date
Installation of electrical generator to serve Fuel Farm and Terminal Building (11600)	On or before Commencement Date
Crack seal and slurry coat asphalt apron area from Fuel Farm to Taxiway Delta, consisting of approximately 205,000 square feet (as more particularly identified in Tenant's proposal submitted in response to the RFF), repaint tie downs and markings	Within 24 months from the Commencement Date
Sandblast, prime and paint 10 existing shadeports	Within 24 months from the Commencement Date
Repaint structural steel and bi-fold hinges on Building No. 11250	Within 48 months from the Commencement Date
<b>PAHOKEE AIRPORT</b>	
<b>Description</b>	<b>Completion Schedule</b>
Terminal Building, Building No. 3800 -installation of new furniture	Within 30 days from the Commencement Date
Installation of electrical generator to serve Fuel Farm	Within 10 days from the Commencement Date
Signage	Within 30 days from the Commencement Date



**EXHIBIT "G"**  
**SUBLEASES**

The following subleases are hereby consented to under this Amendment 1:

<u>Sublease Agreements:</u>	<u>Date of Sublease:</u>
Aircraft Maintenance Specialists	August 19, 2004
Sherman Aircraft Sales	November 1, 2004
Cheney Brothers, Inc.	August 15, 2005
Aircraft Sales Palm Beach	August 18, 2005
Sunquest Aviation, Inc.	October 1, 2005
Malone Aero Sales, LLC	November 1, 2005
Cloud 9 Helicopters (11610, B-2)	December 1, 2005
Cloud 9 Helicopters (11610, B-1)	May 6, 2007
Cloud 9 Helicopters (11250-2)	May 8, 2008
Mechanical Artistry, LLC	July 1, 2008
Luhtech Jet	July 1, 2008
Cloud 9 Helicopters (11610, B-3)	October 24, 2008
Sunquest Aviation, Inc.	April 1, 2010

## Fire Extinguisher Inventory and Replacement Cost(s)

## GLADES AIRPORT

Item	Location
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Terminal Electrical Vault
Fire Extinguisher	Main Hangar Storage Area
Fire Extinguisher	Terminal - Hallway
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Building 201 (T-hangars)
Fire Extinguisher	Fuel Farm - PBC Asset # K10294
Fire Extinguisher	Fuel Farm
Fire Extinguisher	Fuel Farm
Fire Extinguisher	Terminal Fire Pump Room
Fire Extinguisher	Main Hangar Storage Area
Fire Extinguisher	Main Hangar Storage Area
Fire Extinguisher	Fuel Farm

## NORTH COUNTY AIRPORT

Item	Location
Fire Extinguisher	Building 11300
Fire Extinguisher	Building 11300
Fire Extinguisher	Building 11350
Fire Extinguisher	Storage Hangar
Fire Extinguisher	Storage Hangar
Fire Extinguisher	Building 11550
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11810
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11810
Fire Extinguisher	Building 11610
Fire Extinguisher	Building 11810
Fire Extinguisher	Building 11220
Fire Extinguisher	Building 11220
Fire Extinguisher	Building 11220
Fire Extinguisher	Building 11200
Fire Extinguisher	Building 11200
Fire Extinguisher	Building 11210
Fire Extinguisher	Building 11220
Fire Extinguisher	Building 11220
Fire Extinguisher	Building 11220
Fire Extinguisher	Building 11230
Fire Extinguisher	Building 11230
Fire Extinguisher	Building 11230
Fire Extinguisher	Building 11230
Fire Extinguisher	Building 11230
Fire Extinguisher	Building 11230
Fire Extinguisher	Building 11240
Fire Extinguisher	Building 11240
Fire Extinguisher	Building 11240
Fire Extinguisher	Building 11240
Fire Extinguisher	Building 11240
Fire Extinguisher	Building 11240
Fire Extinguisher	Fuel Farm
Fire Extinguisher	Fuel Farm
Fire Extinguisher	Building 11500
Fire Extinguisher	Fuel Farm
Fire Extinguisher	Fuel Farm
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11300
Fire Extinguisher	Building 11300
Fire Extinguisher	Building 11300
Fire Extinguisher	Water Treatment Plant
Fire Extinguisher	Building 11500
Fire Extinguisher	Building 11600 (Terminal)
Fire Extinguisher	Building 11600 (Terminal)
Fire Extinguisher	Building 11600 (Terminal)
Fire Extinguisher	Building 11600 (Terminal)
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11600 (Terminal)

## Fire Extinguisher Inventory and Replacement Cost(s)

Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11720
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11730
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11740
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11750

## NORTH COUNTY AIRPORT

<u>Item</u>	<u>Location</u>
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11750
Fire Extinguisher	Building 11300
Fire Extinguisher	Hangar (Bay 9)
Fire Extinguisher	Hangar (Bay 3)
Fire Extinguisher	Building 11680
Fire Extinguisher	Building 11650
Fire Extinguisher	Building 11600 (Terminal)
Fire Extinguisher	Building 11600 (Terminal)
Fire Extinguisher	Building 11500
Fire Extinguisher	Building 11500

## EXHIBIT "I"

Assets - Palm Beach County Glades Airport (PHK)

<u>Asset No.</u>	<u>LOC CODE</u>	<u>Asset Type</u>
Z087481	228	Barrister High Dining Table
Z087482	228	Hayley Storage End Table
Z087483	228	Hayley Storage End Table
Z087484	228	Hayley Lift Cocktail Table
Z087485	228	Gavin Chair - Brown
Z087486	228	Gavin Chair - Brown
Z087487	228	Gavin Sofa - Brown
Z087488	228	Barrister 24" Wood Barstool
Z087489	228	Barrister 24" Wood Barstool
Z087490	228	Barrister 24" Wood Barstool
Z087491	228	Barrister 24" Wood Barstool