

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date: July 22, 2014	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
	<input type="checkbox"/> Workshop	<input type="checkbox"/> Public Hearing

Department:

Submitted By: Department of Airports

Submitted For:

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I. EXECUTIVE BRIEF


Motion and Title: Staff recommends motion to approve: Third Amendment to Terminal Building Lease Agreement (Third Amendment) with the General Services Administration (GSA), an executive agency of the United States of America, providing for the lease of additional space and adjusting the square footage of existing space leased by GSA for the Transportation Security Administration's (TSA) operations at the Palm Beach International Airport (PBIA) for additional net annual rental of \$46,007.36.

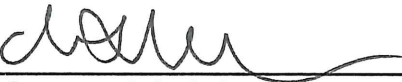
Summary: The Terminal Building Lease Agreement, as amended, (R2011-1160) (Lease) provides for the lease of office and support space for the TSA at PBIA. The Third Amendment adds two areas of space totaling 1,447 square feet and adjusts the square footage of areas currently under lease to conform to a recent re-measurement of the PBIA terminal building, resulting in a net increase of 671 square feet of leased area, and a net increase of \$46,007.36 in annual rental. The new space will be improved by the County at a cost of \$50,126.49. The cost of the improvements will be reimbursed by the GSA. The Third Amendment also updates standard contract provisions pertaining to non-discrimination and the Inspector General. Countywide (HJF)

Background and Justification: The Third Amendment adds 1,447 square feet of space and revises the square footage of areas currently under lease to reflect updated measurements as shown on a survey of the PBIA terminal building completed in 2012. Rental rates are subject to adjustment each October 1, in accordance with the PBIA Airline-Airport Use and Lease Agreement, as amended (R2006-1906).

- Attachments:**
- 1. Third Amendment (3)

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Recommended By:  6/24/14
Department Director Date

Approved By:  7/8/14
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Capital Expenditures	<u>50,126</u>				
Const. Reimbursement		<u>(50,126)</u>			
Operating Revenues	<u>6,427</u>	<u>(46,007)</u>	<u>(46,007)</u>	<u>(5,088)</u>	
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	<u>56,553</u>	<u>(96,133)</u>	<u>(46,007)</u>	<u>(5,088)</u>	

Is Item Included in Current Budget? Yes _____ No X

Budget Account No: Fund 4100 Department 120 Unit 8430 Rsource 4413
Reporting Category _____

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

Agenda approval will add net leasehold area and generate a net increase in annual lease revenue of \$46,007, effective October 2014. Re-measurement of the current leasehold results in a net deduction of revenue in the current year by \$6,427. The County will incur construction costs of \$50,126.49 to be reimbursed by the GSA. The Lease will expire October 31, 2016 with one 3-year renewal.

C. Departmental Fiscal Review: CM Simon

III. REVIEW COMMENTS

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

Susan Neary 6/25/14
KJ AM OFMB
6/25 6/25

Dr. J. Jacobson 6/30/14
Contract Dev. and Control
6-30-14 [Signature]

B. Legal Sufficiency:

[Signature] 6/30/14
Assistant County Attorney

C. Other Department Review:

Department Director

THIRD AMENDMENT TO TERMINAL BUILDING LEASE AGREEMENT

THIS THIRD AMENDMENT TO TERMINAL BUILDING LEASE AGREEMENT (this "Third Amendment") is entered into this ___ day of _____, 20___, by and between Palm Beach County, a political subdivision of the State of Florida (hereinafter referred to as "County" or "Lessor") and the General Services Administration, an executive agency of the United States of America (hereinafter referred to as "Lessee" or the "Government").

W I T N E S S E T H :

WHEREAS, County and Lessee have entered into that certain Terminal Building Lease Agreement dated August 16, 2011 (R2011-1160), as amended by that certain First Amendment to Terminal Building Lease Agreement dated March 6, 2012 (R2012-0311), and that certain Second Amendment to Terminal Building Lease Agreement dated January 29, 2014 (R2014-0032) (GSA Lease No. GS-04B-61874), (the "Lease") for the Government's use of certain premises at the Palm Beach International Airport (the "Airport"); and

WHEREAS, the parties hereto desire to amend the Lease in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained and for such 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:

Section I

1. Recitals. The recitals set forth above are true and correct and incorporated herein by this reference. Terms not defined herein shall have the meaning ascribed to them in the Lease.

2. Exhibit "A" (the "Premises") is hereby deleted in its entirety and replaced with Exhibit "A" attached hereto.

3. Article 1 of the Lease (Definitions) is hereby amended to add the following Sections 1.24, 1.25, 1.26 and 1.27:

1.24 "New ATO Office Space" means that portion of the ATO Office Space on Level 3 of the Terminal, containing approximately 634 square feet, referred to as Rooms 118 and 119 of Pod D, as further identified in Exhibit "A".

1.25 "New ATO Office Space Improvements" means the improvements to be completed to the New ATO Office Space by County, as further detailed in the scope of work attached hereto as Exhibit "E".

1.26 "TSA Training Lab" means the space on Level 1, Concourse C of the Terminal, containing approximately 813 square feet, referred to as Room C-104, as further identified in Exhibit "A".

1.27 "TSA Training Lab Improvements" means the improvements to be completed to the TSA Training Lab by County, as further detailed in the scope of work attached hereto as Exhibit "F".

4. Section 4.01 of the Lease (Rental, ATO Office Common Area Charge and Reimbursement of Improvement Costs) is hereby deleted in its entirety and replaced with the following:

- A. Rental. Rental to be paid by Lessee for the Premises shall be in accordance with the rental rates for Airlines, as set forth in the Airline-Airport Use and Lease Agreement. Rental rates shall be adjusted in accordance with Section 4.05. Rental for the Premises shall be as follows:

	Area Location/ Description	Square Footage	Rate Per Square Foot	Annual Rental
(i)	Ticket/ATO Office Space, Third Level (New ATO Office Space)	634	\$78.09	\$49,509.06
(ii)	Ticket/ATO Office Space, Third Level	754	\$78.09	\$58,879.86
(iii)	First Level, Concourse "C"	1,802	\$60.74	\$109,453.48
(iv)	First Level, Concourse "C"	1,132	\$60.74	\$68,757.68
(v)	Second Level, Concourse "A/B" Checkpoint Office	287	\$60.74	\$17,432.38
(vi)	Second Level, Concourse "C" Checkpoint Office	294	\$60.74	\$17,857.56
(vii)	First Level Operations Area Offices; Concourse "A/B" Connector	4,494	\$60.74	\$272,965.56
(viii)	Second Level Offices; across from Concourse "C" Checkpoint entry	831	\$78.09	\$64,892.79
(ix)	TSA Training Lab (First Level, Concourse "C")	813	\$60.74	\$49,381.62

- B. ATO Office Common Area Charge. Commencing on the Effective Date of this Third Amendment, Lessee shall pay to County the ATO Office Common Area Charge for its use of ATO Office Common Area in the amount of Twenty-Two Thousand, Two Hundred Forty-Four Dollars and Thirty-One Cents (\$22,244.31) annually. Commencing on October 1, 2014, the ATO Office Common Area Charge shall be calculated as follows:

ATO Office Common Area Charge =

$$\frac{\text{Square Footage of ATO Office Space Leased to Lessee}}{3,702 \text{ Square Feet of ATO Office Space}} \times 514 \text{ square feet} \times \text{Terminal Rental Rate}$$

Lessee leases approximately 1,388 square feet ($754 + 634 = 1,388$) of ATO Office Space; therefore, based on the Terminal Rental Rate in effect as of the Effective Date of the Third Amendment, the ATO Office Common Area Charge will initially be \$15,049.13 (i.e., $1,388 \text{ square feet} / 3,702 \text{ square feet} \times 514 \text{ square feet} \times \$78.09 = \$15,049.13$). The ATO Office Common Area Charge shall be payable in arrears, without demand, in equal monthly installments on or before the tenth (10th) day of each month. The ATO Office Common Area Charge shall be adjusted each October 1st throughout the Term of this Lease in accordance with Section 4.05. In addition to any other remedy provided for in this Lease, the Department, on behalf of County, shall have the right to revoke Lessee's license to use the ATO Office Common Area in the event Lessee fails to pay the ATO Office Common Area Charge when due.

- C. Reimbursement of Construction Costs for the Initial Improvements. Lessee shall pay to County, the amount of \$64,740.00, plus interest at the rate of five percent (5%) per annum, payable in equal monthly installments of \$1,221.72, for 60 months, for reimbursement of costs for construction of the Initial Improvements. In the event of expiration or earlier termination of this Lease prior to Lessee's full reimbursement payment of such construction costs, the entire balance of such construction costs remaining due shall be payable in full upon the expiration or earlier termination of this Lease.
- D. Reimbursement of Construction Costs for the New ATO Office Space Improvements. Lessee shall pay to County, the amount of Six Thousand Nine Hundred Ten Dollars and Forty-Nine Cents (\$6,910.49) for reimbursement of costs for construction of the New ATO Office Space Improvements.
- E. Reimbursement of Construction Costs for the TSA Training Lab Improvements. Lessee shall pay to County, the amount of Forty-Three Thousand, Two Hundred Sixteen Dollars (\$43,216.00) for reimbursement of costs for construction of the TSA Training Lab Improvements.

- F. Maintenance and Repair Expense. Lessee shall pay to County, the amount of Two Dollars (\$2.00) per square foot annually, for each square foot of space within the Premises, payable in equal monthly installments of \$0.1667 per square foot of space within the Premises (the "Maintenance and Repair Expense"). County may modify the Maintenance and Repair Expense rate at any time by providing Lessee with not less than one hundred twenty (120) days prior written notice.

5. Section 4.02 of the Lease (Commencement and Time of Payment) is hereby deleted in its entirety and replaced with the following:

- A. Payment of rental by Lessee to County, for those portions of the Premises listed in Section 4.01(A)(ii) through (vii) above, shall commence upon the Commencement Date of this Lease.
- B. Payment of rental by Lessee to County, for that portion of the Premises listed in Section 4.01(A)(viii) above (Second Level Offices; located across from Concourse "C" Checkpoint entry), shall commence on November 17, 2011 (the date of certificate of occupancy for this portion of the Premises).
- C. Payment of the Maintenance and Repair Expense by Lessee to County, as provided in Section 4.01(F), for that portion of the Premises listed in Section 4.01(A)(ii) through (vii) above, shall commence February 1, 2014.
- D. Payment of rental and the Maintenance and Repair Expense by Lessee to County, for that portion of the Premises listed in Section 4.01(A)(i) above (New ATO Office Space), shall commence October 1, 2014.
- E. Payment of rental and the Maintenance and Repair Expense by Lessee to County, for that portion of the Premises listed in Section 4.01(A)(ix) above (TSA Training Lab), shall commence October 1, 2014.
- F. Reimbursement by Lessee to County, for construction costs of the Initial Improvements, pursuant to Section 4.01(C) shall commence on November 1, 2011.
- G. Reimbursement for construction costs of the New ATO Office Space Improvements and the TSA Training Lab Improvements, pursuant to Sections 4.01(D) and (E), shall be payable by Lessee to County upon receipt by Lessee from County of an invoice for such construction costs, which County shall issue to Lessee upon issuance of a Certificate of Occupancy for such area(s) or Lessee's occupancy of the area(s), whichever shall first occur. The invoice for reimbursement of construction costs must be submitted electronically via the General Services Administration Finance website at www.finance.gsa.gov/webvendors or mailed to GSA, Greater Southwest Finance Center (7BCP), P.O. Box

17181, Fort Worth, TX 76102 with a copy to the Contracting Officer at the General Services Administration, 7771 W Oakland Park Blvd, Sunrise FL 33351, Attn: James Thompson. The invoice must reference the Lease Number, the Supplemental Lease Agreement Number, the amount billed, the work completed and the PDN Number.

- H. The payment of rental and reimbursement of construction costs in Sections 4.02 (A) through (F) above shall be payable in arrears, without demand, in equal monthly installments by the tenth (10th) day of each month following the month for which payment is due throughout the Term. Any rent payment due hereunder for a fractional month shall be calculated and paid on a per diem basis [calculated on the basis of a thirty (30) day month].

6. Article 19 of the Lease (Non-Discrimination) is hereby deleted in its entirety and replaced with the following:

ARTICLE 19
NONDISCRIMINATION

Lessee for itself, its successors in interest and assigns, as a part of the consideration herefor, does hereby covenant and agree (a) that no person on the grounds of race, sex, color, religion, creed, ancestry, national origin, disability, familial status, sexual orientation, age, marital status, gender identity or expression, or genetic information shall be excluded from participation in or denied the use of the Premises, (b) that in the construction of any improvements on, over, or under such Premises and the furnishing of services, no person on the grounds of race, sex, color, religion, creed, ancestry, national origin, disability, familial status, sexual orientation, age, marital status, gender identity or expression, or genetic information shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, as now or hereafter amended. In the event of the breach of any of the foregoing non-discrimination covenants, County shall have the right to terminate this Lease and to reenter and repossess said Premises and the facilities hereon, and hold the same as if said Lease had never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Part 21 of the Code of Federal Regulations, as now or hereafter amended, are followed and completed including exercise or expiration of appeal rights.

7. Section 21.24 of the Lease (Inspector General) is hereby deleted in its entirety and replaced with the following:

21.24 Inspector General. Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of Lessee, its officers, agents, employees and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

Section II

8. Ratification of Lease. Except as specifically modified herein, all of the terms and conditions of the Lease shall remain unmodified and in full force and effect and are hereby ratified and confirmed by the parties hereto.

9. Paragraph Headings. The heading of the various sections of this Third Amendment are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Third Amendment or the Lease.

10. Effective Date. This Third Amendment shall become effective when signed by both parties and approved by Board of County Commissioners.

IN WITNESS WHEREOF, County and Lessee have executed this Third Amendment, or have caused the same to be executed as of the day and year first above written.

ATTEST:

Sharon R. Bock, Clerk & Comptroller

By: _____

(SEAL)

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By:  _____
County Attorney

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

By: _____
Priscilla A. Taylor, Mayor

APPROVED AS TO TERMS AND
CONDITIONS

By:  _____
Director of Airports

WITNESSES:

Signature

Typed or Printed Name

Signature

Typed or Printed Name

LESSEE:
General Services Administration

By: _____
Signature

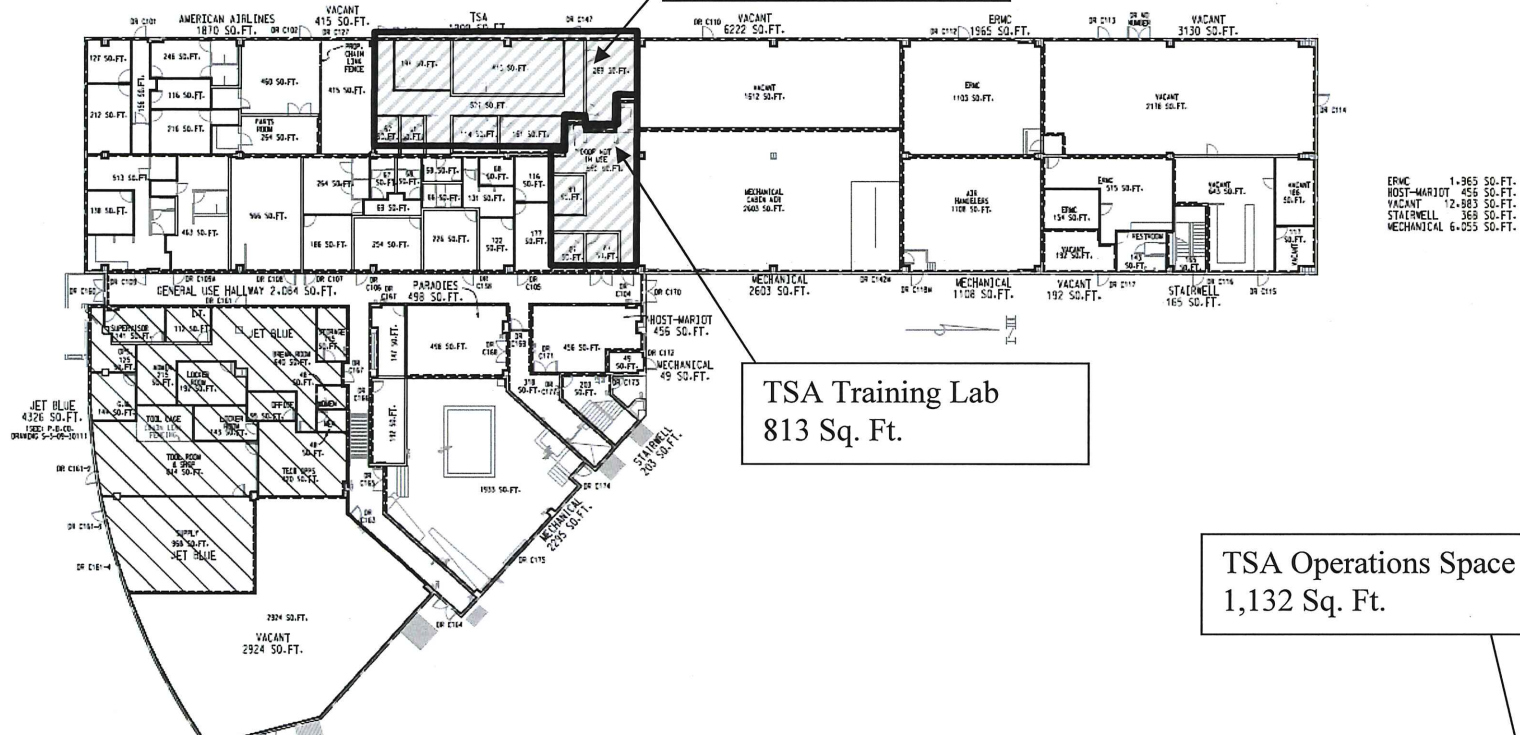
Typed or Printed Name

Title: _____

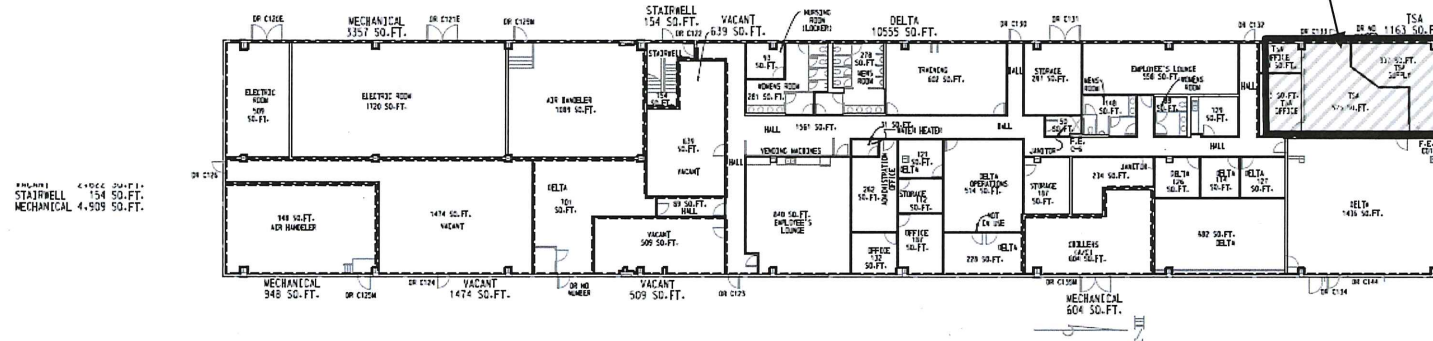
Exhibit “A”

The Premises
(updated 4-21-2014)

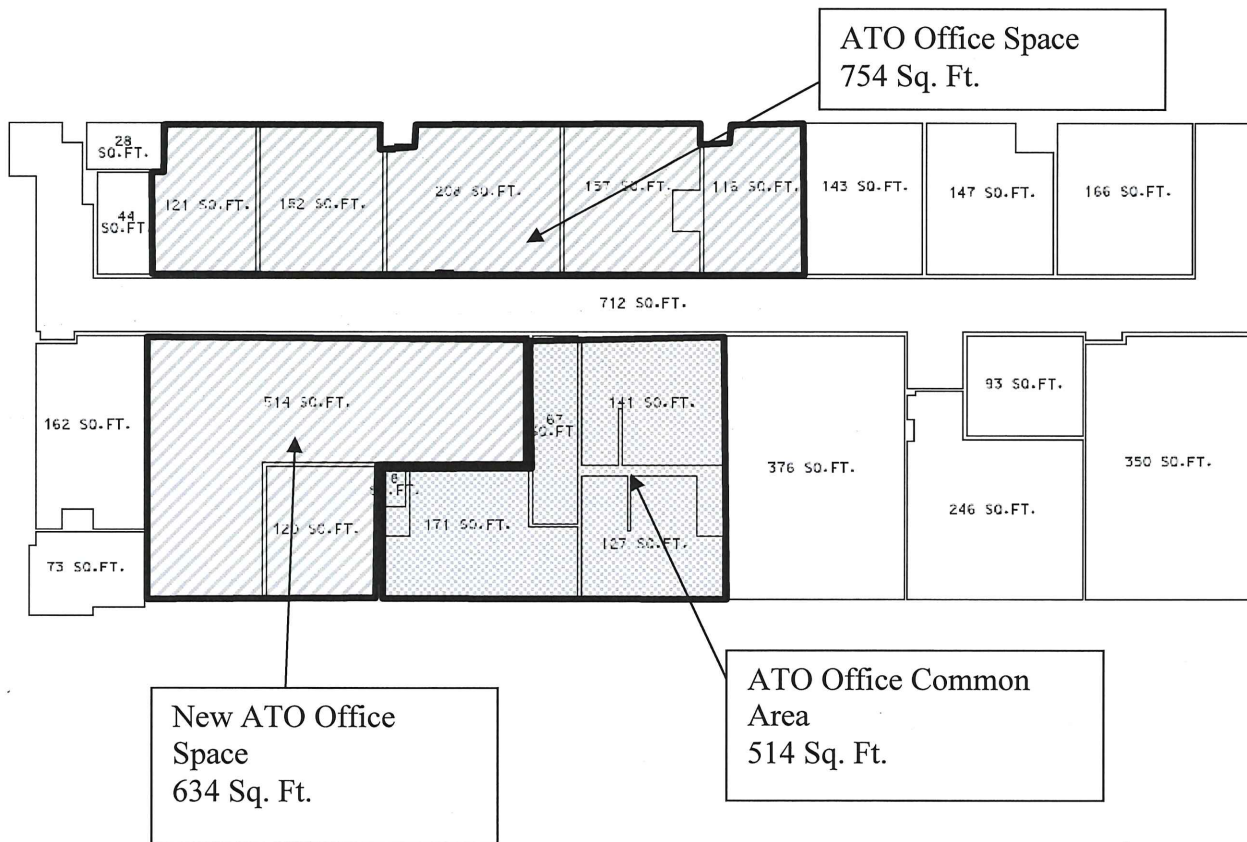
TSA Operations Space
1,802 Sq. Ft.



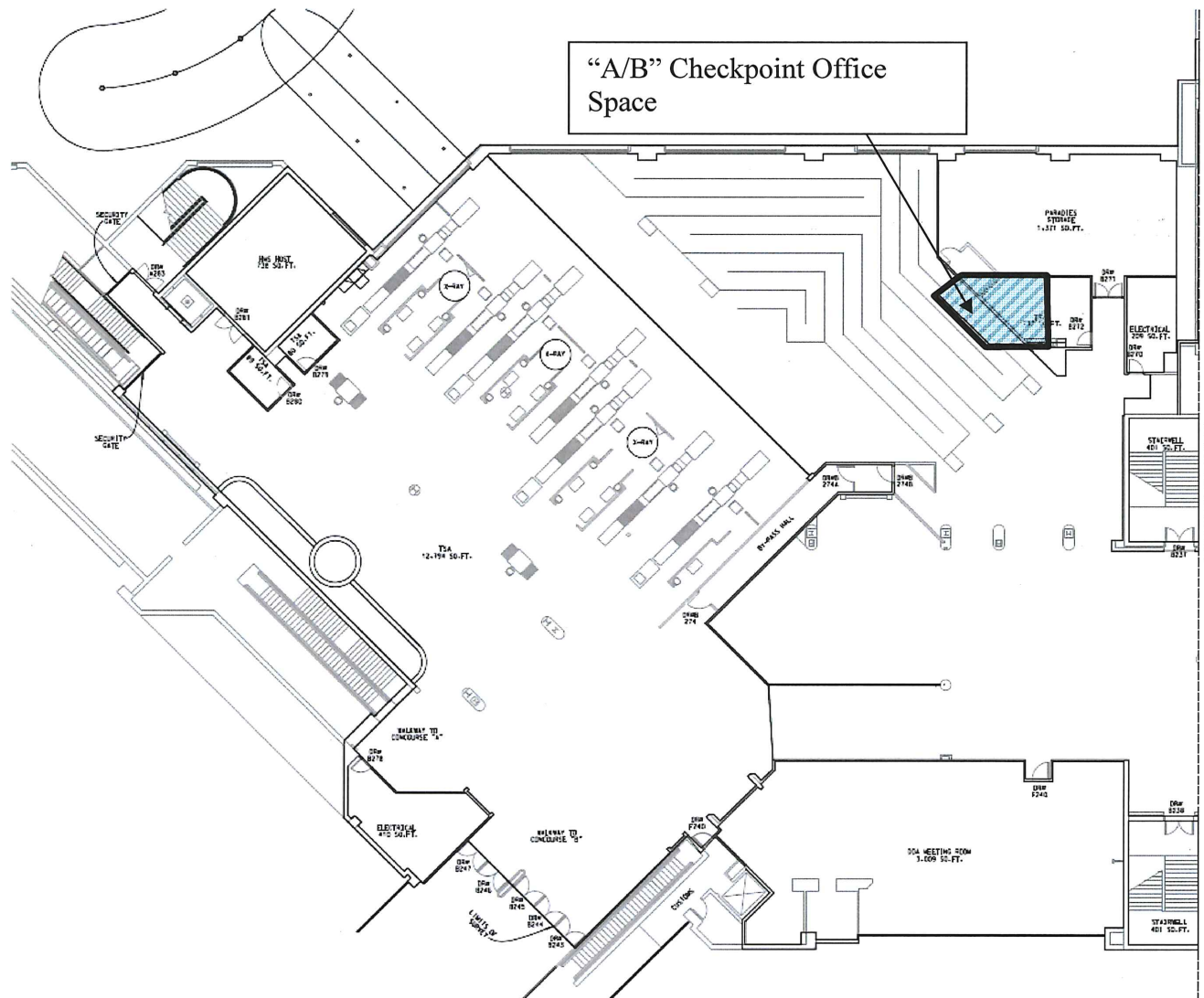
TSA Operations Space
1,132 Sq. Ft.



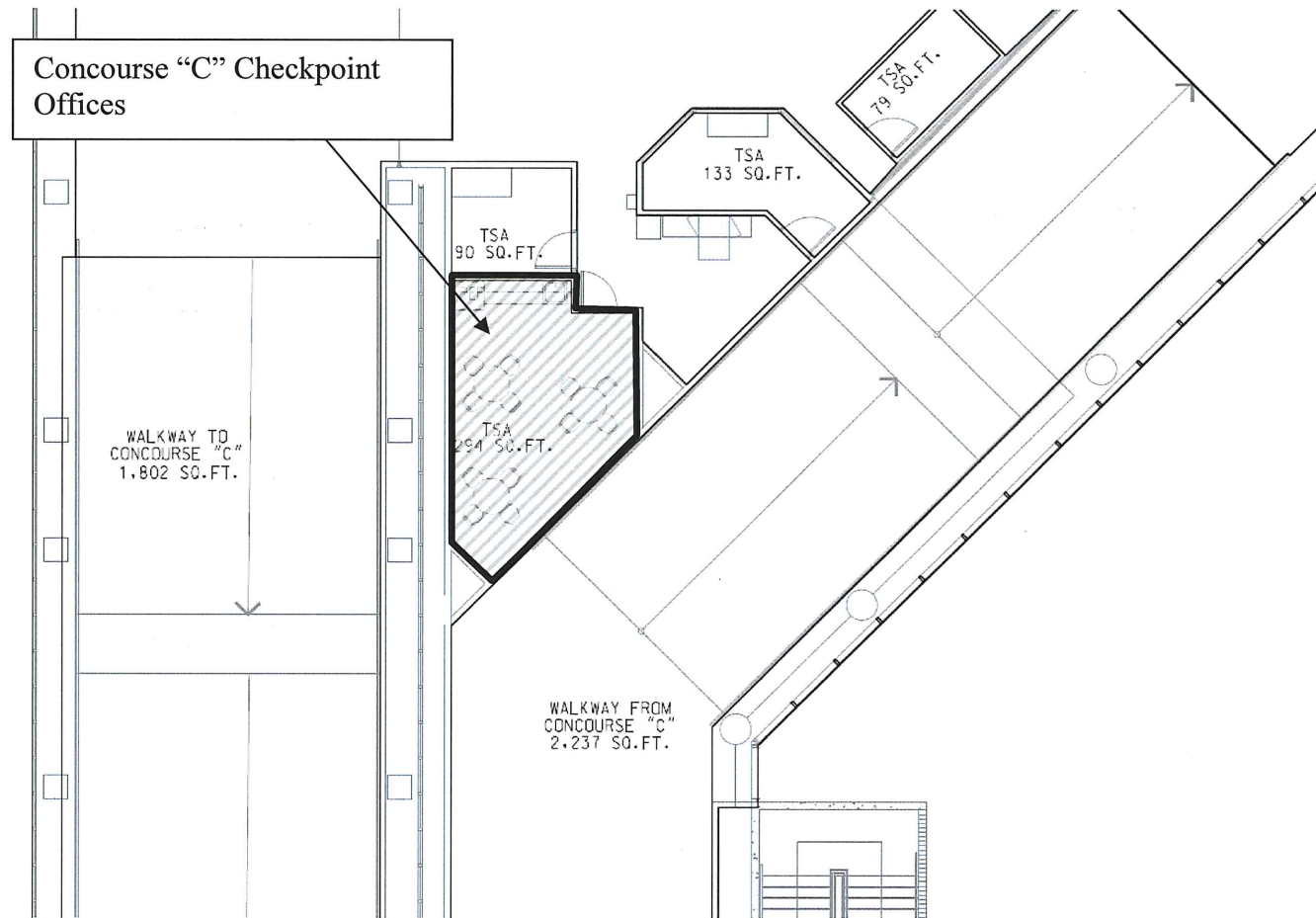
Concourse C – First Floor



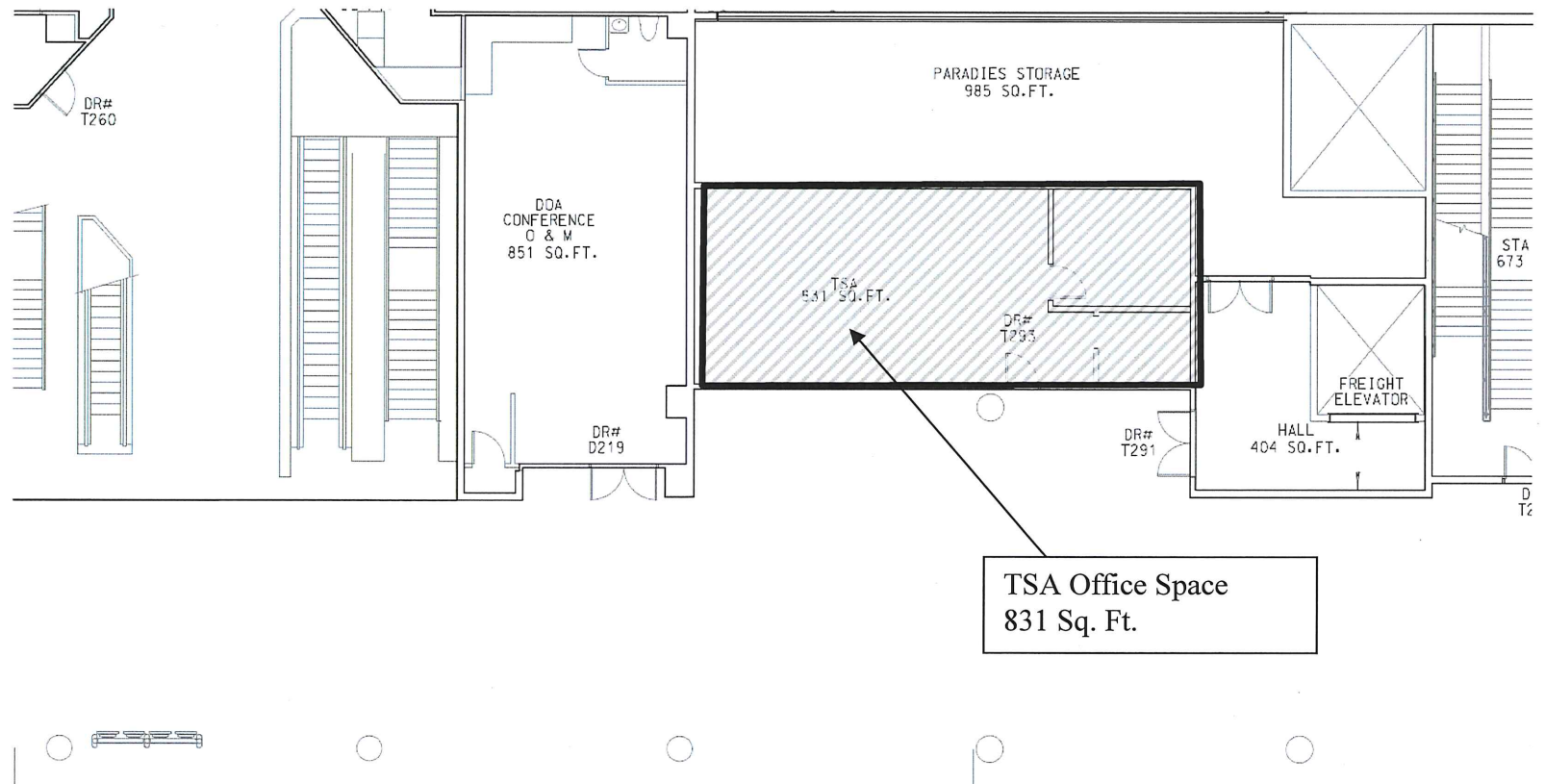
Main Terminal – Third Floor



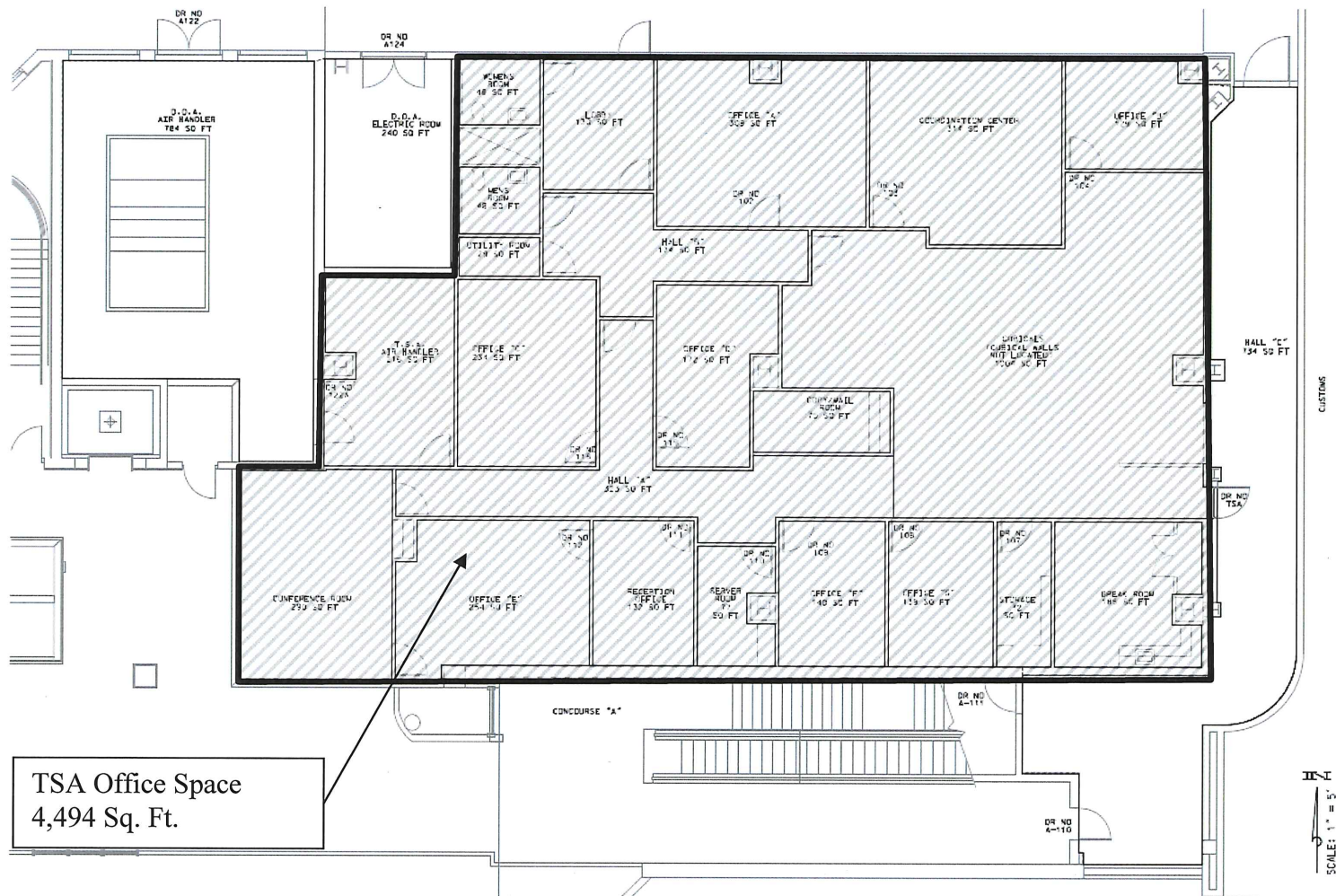
Main Terminal – Second Floor – Concourse A/B checkpoint



Main Terminal – Second Floor – Concourse C checkpoint



Main Terminal – Second Floor – across from Concourse C checkpoint



Main Terminal – First Floor – adjacent to Concourse A hallway


Exhibit "E"

(Scope of Work for the New ATO Office Space Improvements)

1. patch/repair/paint walls plus three (3) doors and frames
2. replace carpet

Exhibit "F"

(Scope of Work for the TSA Training Lab Improvements)

March 18, 2014	Detailed Scope of Work Job Order Construction Services	
JOC#: 14391	PBIA - Terminal - TSA Lab Office renovation	
Loc #: PBIA	Palm Beach International Airport	

JOC Coordinator: Pat D'Angelo

Scope of Work:

General: The object of this project will be to remodel the existing TSA training lab space with its associated break room and office. The work will involve removing walls, adding walls, moving doorways and doors, new ceiling grid and tile, new VTC flooring, painting, additional electrical outlets, voice data outlets, cabinet rework, and moving of HVAC duct work and grill.

Division 01 – General requirements

1. Work to be scheduled during normal work hours – 7 AM to 5 PM – Monday thru Friday.
2. Preliminary work schedule with timeline to be submitted with proposal.
3. All submittals shall be reviewed by the County and approved prior to ordering.
4. All material handling, deliveries, and storage shall be coordinated thru the County.
5. Keep work area clean and free of debris and/or trash daily.
6. Provide 48 hour request for any system/building shutdowns and/or testing.

Criminal History Records Check - Pursuant to County Code, Section 2-371 – 2-377, the Palm Beach County Criminal History Records Check Ordinance, the County will conduct a finger print based criminal history record check on all employees of contractors and subcontractors of contractors, vendors, repair persons and delivery persons entering a facility determined to be either a Critical Facility ("Critical Facilities") or criminal justice information facility (CJI Facility). Critical Facilities and CJI Facilities and the corresponding list of disqualifying offenses are identified in Resolution R2013-1421, and is available upon request. **In October, 2013, compliance with the requirements of the U.S. Federal Bureau of Investigations Criminal Justice Information (CJI) Security Policy was added to the Ordinance and has a broad list of disqualifying offenses.** The Bidder understands that it is solely responsible for the financial, schedule and/or staffing implications of compliance with this Ordinance, and represents and warrants that its bid price includes any direct or indirect costs (not including the FDLE/FBI fees which will be paid directly by the County) of compliance with this County Code. Refer to Department Specific Instructions in this Section for applicability of criminal history records check for this project. Individuals passing the background check will be issued a badge.. Contractor shall make every effort to collect the badges of its employees and its subcontractors' employees upon conclusion of the contract work and return them to the County. If the contractor or its subcontractor terminates an employee who has been issued a badge, the Contractor must notify the County within 2 hours. At the time of termination, the contractor shall retrieve the badge and return it to the County in a timely manner. The County reserves the right to suspend any Contractor that; 1) does not in compliance with the requirements of County Code Section 2-371-2-377 as amended, 2) does not immediately contact the County regarding a terminated contractor employee or subcontractor employee, or 3) fails to make a good faith effort in attempting to comply with the

Badge retrieval policy.

Department Specific Instructions

This project is subject to: ☒ Critical Facilities Background Check
☐ CJI Facilities Background Check

Detailed Scope of Work Continues...

JOC#: 14391

PBIA - Terminal - TSA Lab Office renovation

[] No Background Check

Division 02 – Existing conditions

1. Remove existing counter tops and case work on east wall in break room and along south wall of training lab.
2. Remove wall in east office (TT/TACT), short wall on west side of training lab, and two walls on east side of training lab. Leave stub wall where FACP is located.
3. Remove existing main entry door and door on SW office (TT/TACT office). Doors and frames to be reused in renovations.

Division 06 – Wood, Plastics, Composites

1. Rework existing casework to allow for small counter area and sink in break room.

Division 08 – Openings

1. Relocate existing door and frame from west wall of TT/TACT office to NE corner of same office.
2. Relocate main entry door to opening into Training Lab.

Division 09 – Finishes

1. Paint all walls, doors, and door frames. One coat primer and two coats finish paint – PBIA to provide color.
2. Install new VTC flooring through entire space – PBIA to provide color.
3. Install new 4 inch base cover through entire space.
4. Install new ceiling grid in new TT/TACT office and break room.
5. Install new ceiling tiles in new TT/TACT office and break room. Use old tiles to replace any bad/dirty tiles in Training Lab.

Division 10 – Specialties

1. Relocate existing fire extinguisher for wall to be removed to wall separating Training Lab and Break room.

Division 23 – HVAC

1. Relocate one HVAC supply duct and its register from small hallway to be eliminated into new Training Lab area

Division 26 – Electrical

1. Install two new light switches in new TT/TACT office to control lights in that office.
2. Install new electrical outlet on south wall of TT/TACT office.
3. Install one j- box on south wall of new TT/TACT office for data drop
4. Rework all electrical outlets in all spaces from single outlets to duplex outlets.
5. Install new light switch to control lights in reworked break room area.
6. Install new outlets for microwave and refrigerator in break room.
7. Install two new electrical outlets on west wall of Training Lab (One high – one low) for new television and computer hook ups.
8. Install one new Data drop j-box on west wall of Training Lab with conduit back to central computer area in next room – with pull string.
9. Install two new exit lights – one at new open entry way and one on west exit door of Lab Training room.