

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT *	<u><u>\$-0-</u></u>	<u><u>\$-0-</u></u>	<u><u>\$-0-</u></u>	<u><u>\$-0-</u></u>	<u><u>\$-0-</u></u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No _____
 Budget Account No: Fund 4100 Department 120 Unit 8320/8430 Rsource various
 Reporting Category _____

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

*The Addendum To Airline Agreement will provide flexibility and increase efficiency in processing seasonal air carriers; therefore, there is no fiscal impact of this action. Seasonal carriers pay approximately \$900,000 per year in fees. Revenues are not guaranteed, however, and may vary from year-to-year.

C. Departmental Fiscal Review:

CM Sumner

III. REVIEW COMMENTS

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

J. H. Welch
 OFMB 2/1/16

Ann J. Jacobson 1/13/17
 Contract Dev. and Control
 1/13/17

B. Legal Sufficiency:

Anne Delaney 1-17-17
 Assistant County Attorney

C. Other Department Review:

 Department Director

REVISED 9/03
 ADM FORM 01
 (THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

ADDENDUM TO AIRLINE AGREEMENT

THIS ADDENDUM TO AIRLINE AGREEMENT (this "Addendum") is made and entered into this 21 day of December 2016, by and between Palm Beach County, a political subdivision of the State of Florida, ("County") and MN Airlines LLC, d/b/a, Sun Country Airlines, a Minnesota corporation, having its office and principal place of business at 1300 Mendota Heights Road, Mendota Heights, MN 55120 ("Airline").

WITNESSETH:

WHEREAS, County, by and through its Department of Airports (the "Department"), is the owner and operator of the Palm Beach International Airport (the "Airport"); and

WHEREAS, the parties entered into that certain Non-Signatory Airline Agreement dated July 26, 2016 (R2016-1128) (the "Airline Agreement"), which is hereby incorporated herein by reference; and

WHEREAS, Airline requires use of Airport facilities from time-to-time on a short-term, seasonal basis in connection with its aircraft operations at the Airport under the Airline Agreement.

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

ARTICLE 1 BASIC PROVISIONS

1.01 Recitals. The foregoing recitals are true and correct and incorporated herein. Terms not defined herein shall have the meanings set forth in the Airline Agreement.

1.02 Designated License Area. In the event Airline requires additional space such as ticket counter or office space on a short term basis for its seasonal aircraft operations at the Airport, Airline may notify County in writing of the: (a) type and amount of space required for its operations; (b) the anticipated date Airline will commence use of the space; and (c) the anticipated date Airline will return the space. Airline should notify County no less than ninety (90) days prior to its proposed commencement of operations of its space requirements. In the event appropriate space is available, County will notify Airline in writing of the available space and provide the attached Exhibit "A" ("Facilities Use Permit") to Airline for approval. In the event Airline approves of the space(s) designated for Airline's use under the Facilities Use Permit ("License Area"), Airline shall cause an authorized representative of Airline to sign and return the Facilities Use Permit to the County.

1.03 Return of License Area. Upon expiration or earlier termination of Airline's license to use the License Area under a Facilities Use Permit, Airline, at its sole cost and expense, shall surrender the License Area to the County in at least the same condition as the License Area was in as of the Commencement Date of the Facilities Use Permit. Airline shall remove all personal property and signage from the License Area at Airline's sole cost and expense, unless otherwise approved in writing by the Department. Any personal property of Airline not removed in accordance with this Section, at the option of County, may be removed and placed in storage by County at the sole cost of Airline, or may become the property of County, all at no cost to County. In the event County does not elect to take ownership of the property, it may dispose of same by either public or private sale and retain the proceeds thereof. Any costs of removal and disposition not covered by such proceeds shall be borne by Airline. In the event Airline fails to timely restore the License Area as provided above, County may restore the License Area at Airline's sole cost and expense. Airline shall reimburse County for County's actual costs plus a twenty five percent (25%) administrative overhead within thirty (30) days of the date of County's invoice. Airline's reimbursement obligations under this Section shall survive the expiration or earlier termination of the Facilities Use Permit, the Airline Agreement and/or this Addendum until County has received full reimbursement.

**ARTICLE 2
TERM**

The term of this Addendum shall commence on December 1, 2016 (the "Commencement Date") and automatically terminate on the date the Airline Agreement expires or is terminated (the "Term"), unless terminated earlier as provided for herein.

**ARTICLE 3
FEES AND CHARGES**

Airline shall pay County all fees and charges applicable to the License Area identified in the Facilities Use Permit in accordance with the then current Rate and Fee Schedule (as defined in the Airline Agreement), subject to any waiver of fees and charges pursuant to an Airline Service Incentive Program Participation Agreement entered into by the parties.

**ARTICLE 4
LICENSE AREA**

Airline acknowledges and agrees that Airline's use of the License Areas shall be governed by the terms and conditions of the Airline Agreement, this Addendum and the Facilities Use Permit.

**ARTICLE 5
REVOCATION OF ADDENDUM/DEFAULT**

5.01 License. Notwithstanding any provision of this Addendum to the contrary, the parties acknowledge and agree the rights granted to Airline under the Facilities Use Permit shall be a non-exclusive license to use the License Area.

5.02 Termination for Convenience. Either party may terminate this Addendum or a Facilities Use Permit for convenience upon fifteen (15) days prior written notice to the other party, whereupon the parties shall be relieved of all further obligations hereunder with the exception of those obligations accruing prior to the date of such termination and those obligations which expressly survive termination of this Addendum.

5.03 Default. Failure to perform or observe any of the agreements, covenants or conditions contained in the Airline Agreement, this Addendum or any Facilities Use Permit issued pursuant to this Addendum to be performed or observed by such party upon thirty (30) days prior written notice shall constitute a material default of this Addendum and the Airline Agreement.

**ARTICLE 6
EFFECTIVE DATE**

This Addendum shall become effective when executed by the parties hereto.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

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

WITNESSES:

Ray Walter
Signature
Ray WALTER
Typed or Printed Name

Debra Reese
Signature
Debra Reese
Typed or Printed Name

**PALM BEACH COUNTY, FLORIDA,
A POLITICAL SUBDIVISION OF THE
STATE OF FLORIDA**

By: [Signature]
Director, Department of Airports

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

By: [Signature]
County Attorney

WITNESSES:

[Signature]
Signature
Eric Levenhagen
Typed or Printed Name

[Signature]
Signature
Karen Erazo
Typed or Printed Name

**AIRLINE: MN Airlines LLC, d/b/a Sun
Country Airlines**

By: [Signature]
Signature
Zarir H. Erani
Typed or Printed Name

Title: President and CEO

(Seal)

EXHIBIT "A"
FACILITIES USE PERMIT

Palm Beach

INTERNATIONAL AIRPORT

FACILITIES USE PERMIT

AIRLINE: _____

ADDRESS: _____

TELEPHONE/E-MAIL: _____

**NAME AND TITLE OF
AUTHORIZED REPRESENTATIVE:** _____

In accordance with that certain Non-Signatory Airline Agreement dated July 26, 2016 (R2016-1128) (the "Airline Agreement") and Addendum to Airline Agreement dated _____, 20____ (R-_____) ("Addendum"), by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and MN Airlines LLC, d/b/a, Sun Country Airlines ("Airline"), Airline shall have a short-term license to utilize the following space(s) ("License Area"), which license shall commence and terminate on the dates/times listed below, unless otherwise agreed to in writing by the Department of Airports:

Space Type	Location	Square Footage	Commencement Date/Time	Termination Date/Time
	See Attachment "1"			
	See Attachment "1"			
	See Attachment "1"			
	See Attachment "1"			

By signing below, I hereby certify that I have the authority to represent and obligate Airline and that Airline shall comply with all terms and conditions of the Airline Agreement, the Addendum and this Facilities Use Permit applicable to the use of the License Area.

AIRLINE:

Signature of Authorized Representative of Airline

Title

Date

APPROVED BY:

Director, Department of Airports

Date

TRANSMITTED TO AIRPORT FINANCE DIVISION BY:

Name

Date

Summary of Certificates

This report displays detailed Certificate of Insurance information for a selected Insured. Any items shown in red are deficient.

Thursday, December 15, 2016

- Simple View
- Certificate Images
- Contracts

Insured: MN Airlines, LLC

Insured ID: PBI-SU-16-01

Status: Compliant

ITS Account Number: PLC2175

Project(s): Palm Beach County - Airport Properties

Insurance Policy	Required	Provided	Override
<u>General Liability</u>			
Expiration: 12/17/2016			
General Aggregate:	\$100,000,000	\$100,000,000	
Products - Completed Operations Aggregate:	\$100,000,000	\$100,000,000	
Personal And Advertising Injury:	\$25,000,000	\$25,000,000	
Each Occurrence:	\$100,000,000	\$100,000,000	
Fire Damage:	\$0	\$0	
Medical Expense:	\$0	\$0	
<u>Automobile Liability</u>			
Expiration: 5/1/2017			
Combined Single Limit:	All Owned Autos Hired Autos Non-Owned Autos	Any Auto not provided Hired Autos Non-Owned Autos	X
	\$1,000,000	\$1,000,000	
<u>Workers Compensation/Employers Liability</u>			
Expiration: 4/15/2017			
Each Accident:	\$1,000,000	\$1,000,000	
Disease - Policy Limit:	\$1,000,000	\$1,000,000	
Disease - Each Employee:	\$1,000,000	\$1,000,000	
<u>Aircraft Liability Insurance</u>			
Expiration: 12/17/2016			
Each Occurrence:	\$100,000,000	\$100,000,000	
Aggregate Limit:	\$100,000,000	\$100,000,000	
<u>Liquor Liability</u>			
Expiration: 12/17/2016			
Each Occurrence:	\$1,000,000	\$100,000,000	
Aggregate Limit:	\$1,000,000	\$100,000,000	

Notifications

C E R T I F I C A T E
(Limited Liability Company)

The undersigned hereby certifies that the following are true and correct statements:

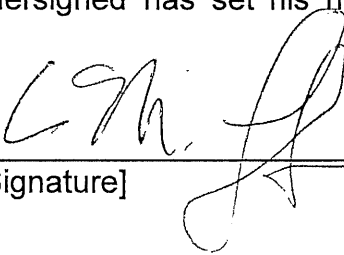
That I, Eric Levenhagen, am the General Counsel of MN Airlines, LLC d/b/a Sun Country Airlines, a limited liability company organized and existing in good standing under the laws of the State of Minnesota, hereinafter referred to as the "Company", and that the that Zarir H. Erani, President and CEO, is the named officer, duly elected and authorized to execute and deliver airport lease and operating documents on behalf of the Company, as of September 8, 2015, to serve until he resigns or is replaced by a duly qualified successor,

That the Corporation shall enter into that certain Addendum to Non-Signatory Airline Agreement between Palm Beach County, a political subdivision of the State of Florida and the Corporation (the "Agreement"), a copy of which is attached hereto; and

That Zarir H. Erani, President and CEO, is hereby authorized to execute such Agreement and such other instruments as may be necessary and appropriate for the Corporation to fulfill its obligations under the Agreement.

That the Company is in good standing under the laws of the State of Florida, and has qualified to do business in the State of Florida and has the full power and authority to enter into such Agreement.

IN WITNESS WHEREOF, the undersigned has set his hand the 28th day of November, 2016.



[Signature]

General Counsel