

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: June 6, 2017

Consent       Regular  
 Workshop       Public Hearing

Department:

Submitted By: Department of Airports

Submitted For:

I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to receive and file:** First Amendment to Non-Signatory Airline Agreement with MN Airlines LLC, d/b/a Sun Country Airlines (R-2016-1128), replacing Exhibit "B" increasing their leasehold at the Palm Beach International Airport effective April 17, 2017.

**Summary:** Delegation of authority for execution of the standard County agreement above was approved by the BCC in R-2014-1575. Countywide (AH)

**Background and Justification:** N/A

**Attachments:** One (1) First Amendment to Non-Signatory Airline Agreement

*JB*

Recommended By:

*Jim Kelly*  
Department Director

4/27/17

Date

Approved By:

*W Baker*  
County Administrator

5/18/17

Date

**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	<u>(\$4,691)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u><b>(\$4,691)</b></u>	<u><b>\$-0-</b></u>	<u><b>\$-0-</b></u>	<u><b>\$-0-</b></u>	<u><b>\$-0-</b></u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes  X  No \_\_\_\_\_  
 Budget Account No: Fund  4100  Department  120  Unit  8430  RSource  4414   
 Reporting Category \_\_\_\_\_

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

The First Amendment increases Sun Country Airlines' leasehold by a 146 SF ticket office effective 4/17/17. As the ticket office rent is \$70.53 per SF, the FY2017 revenue is \$4,691.12. The term of the Non-Signatory Airline Agreement expires each 9/30 and automatically renews on a 10/1 – 9/30 annual basis unless canceled by either party; as it is unknown if the Agreement will renew, only the fiscal impact for FY2017 is shown.

C. Departmental Fiscal Review:  CM Swine

**III. REVIEW COMMENTS**

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

[Signature] 5/3/17   
 OFMB ET 5/2

[Signature] 5/12/17   
 Contract Dev. and Control  
 5/12/17 TW

**B. Legal Sufficiency:**

Anne Delgard 5-15-17   
 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)

## Summary of Certificates

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

Tuesday, April 25, 2017

Simple View

Certificate Images

Documents

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: 12/17/2017			
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 \$1,000,000	Any Auto not provided Hired Autos Non-Owned Autos \$1,000,000	X
<u>Workers Compensation/Employers Liability</u>	WC Stat. Limits	WC Stat. Limits	
Expiration: 4/15/2018			
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: 12/17/2017			
Each Occurrence:	\$100,000,000	\$100,000,000	
Aggregate Limit:	\$100,000,000	\$100,000,000	
<u>Liquor Liability</u>			
Expiration: 12/17/2017			
Each Occurrence:	\$1,000,000	\$100,000,000	
Aggregate Limit:	\$1,000,000	\$100,000,000	

Notifications ([Show All](#))

The following letters were issued:

Mar 27 2017 - Renewal Letter

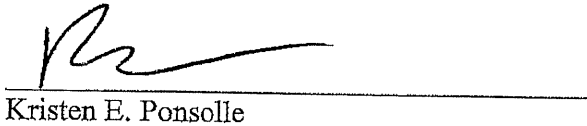
**INCUMBENCY CERTIFICATE**

I, Kristen E. Ponsolle, Legal Counsel of MN Airlines, LLC ("the Company") do hereby certify that the following named officer is duly elected and authorized to bind the Company to contracts with his signature, as of September 8, 2015, to serve until he resigns or is replaced by a duly qualified successor, and further that the following is a true specimen of his signature.

Zarir Homi Erani, President and CEO

A handwritten signature in black ink, appearing to read "Zarir Homi Erani", written over a horizontal line.

Certified as of the 21<sup>st</sup> day of June 2016

A handwritten signature in black ink, appearing to read "Kristen E. Ponsolle", written over a horizontal line.

Kristen E. Ponsolle

**FIRST AMENDMENT TO NON-SIGNATORY AIRLINE AGREEMENT BETWEEN  
PALM BEACH COUNTY AND MN AIRLINES LLC, d/b/a SUN COUNTRY  
AIRLINES**

**THIS FIRST AMENDMENT TO NON-SIGNATORY AIRLINE AGREEMENT** (this "First Amendment") is made and entered into this APR 25 2017, 2017, 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"), owns and operates the Palm Beach International Airport, located in Palm Beach County, Florida; and

**WHEREAS**, pursuant to the Non-Signatory Airline Agreement between County and Airline dated July 26, 2016 (R-2016-1128) (the "Agreement"), Airline leases various terminal facilities and equipment at the Airport in connection with its operations as a commercial air carrier; and

**WHEREAS**, Airline acknowledges that it shall not be entitled to a waiver of fees and charges under that certain Air Service Incentive Program Participation Agreement between County and Airline dated July 26, 2016 (R2016-1129) for any flight that is not considered a Qualified Flight under the Incentive Agreement.

**WHEREAS**, the Director of the Department has been delegated the authority to execute certain amendments to the Agreement pursuant to County Resolution No. 2014-1575; and

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

**NOW, THEREFORE**, in consideration of the premises and of the mutual covenants herein contained, and for 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 and made a part hereof. Terms not defined herein shall have the meaning ascribed to them in the Agreement.

2. The parties agree that effective April 17, 2017, Exhibit "B" (Preferential Use Premises (Terminal Areas)) to the Agreement shall be deleted in its entirety and replaced with Exhibit "B" (Preferential Use Premises (Terminal Areas)) attached to this First Amendment.

3. Exhibits attached hereto and referenced herein shall be deemed to be incorporated in this First Amendment by such reference.

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


5. This First Amendment shall become effective when signed by both parties hereto.

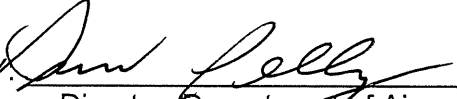
*(Remainder of page intentionally left blank)*


IN WITNESS WHEREOF, the parties hereto have duly executed this First Amendment as of the day and year first above written

Signed, sealed and delivered in the presence of two (2) witnesses for County:

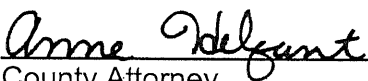
**PALM BEACH COUNTY, a political subdivision of the State of Florida**

  
\_\_\_\_\_  
Signature **Jeffrey S. Bolton**  
\_\_\_\_\_  
Print Name

BY:   
\_\_\_\_\_  
Director, Department of Airports

  
\_\_\_\_\_  
Signature **Debra Reese**  
\_\_\_\_\_  
Print Name


APPROVED AS TO FORM & LEGAL SUFFICIENCY:

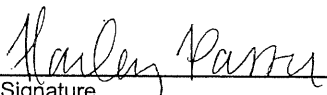
  
\_\_\_\_\_  
County Attorney

Signed, sealed and delivered in the presence of two (2) witnesses for Airline:

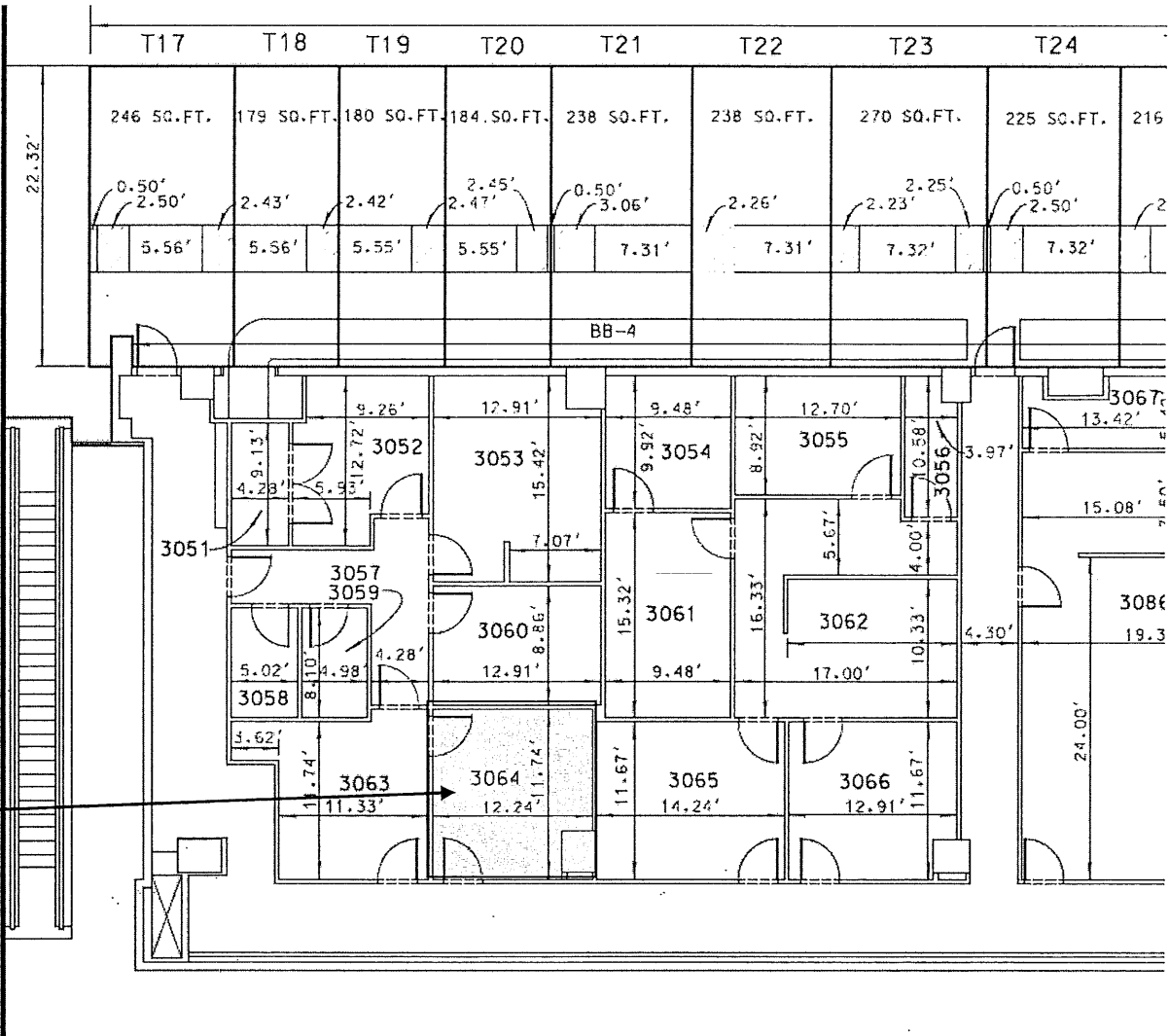
**Airline: MN Airlines LLC, d/b/a, Sun Country Airlines**

  
\_\_\_\_\_  
Signature **ERIC M. LEVENTHAL**  
\_\_\_\_\_  
Print Name

By:   
\_\_\_\_\_  
**Zarir Erani**  
\_\_\_\_\_  
Typed or printed name of Corporate Officer

  
\_\_\_\_\_  
Signature **Hailey Passer**  
\_\_\_\_\_  
Print Name

Title: **President and CEO**  
\_\_\_\_\_  
(Seal)



Revised per First Amendment  
Effective April 17, 2017

TICKET Office  
146 Sq. Ft.