

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

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Meeting Date: August 20, 2019 [X] Consent [] Regular
[] Workshop [] Public Hearing

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a Resolution adopting a new standard form Signatory Airline Agreement; authorizing the County Administrator or designee to execute standard form Signatory Airline Agreements on behalf of the Board of County Commissioners; authorizing the County Administrator or designee to enter into certain amendments to standard form Signatory Airline Agreements; repealing Resolution 2014-1033 and Resolution 2018-0845; providing for severability; and providing for an effective date.

Summary: The current agreements with signatory airlines at the Palm Beach International Airport (PBI) are scheduled to expire on September 30, 2019. The Resolution adopts a new standard form Signatory Airline Agreement (Agreement), which updates terms and conditions to the prior agreement and provides for the use of certain facilities at PBI by commercial airlines for a term of up to five years with one 2-year renewal option. The Agreement streamlines the Department of Airports' administrative process and provides flexibility to airlines by allowing them to request use of certain facilities, such as ticket counters and gates, on a short-term or seasonal basis, without formally amending the Agreement. The Resolution also authorizes the County Administrator or designee to execute the approved standard form Agreement on behalf of the Board; to agree to modifications to an airline's leasehold premises; and to agree to non-material changes to the standard form Agreement. Countywide (AH)

Background and Justification: On July 22, 2014, the Board approved a standard form Signatory Airline Agreement (R-2014-1033) which was amended by Resolution 2018-0845.

Attachments:

Resolution (1)

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Recommended By: [Signature] Department Director 7-23-19 Date

Approved By: [Signature] County Administrator 8-6-19 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	* see below	_____	_____	_____	_____
# ADDITIONAL FTE	_____	_____	_____	_____	_____
POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes _____ No _____
 Does this item include the use of federal funds? Yes _____ No X

Budget Account No: Fund _____ Department _____ Unit _____ Rsource _____
 Reporting Category _____

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

There is no fiscal impact associated with approval of standard form Agreement. The Agreement establishes the basis for all airline rates and charges for the operation of commercial air service at PBI. Signatory airline revenues from terminal rents, landing fees, and baggage system charges will average \$16 to \$18 million annually over the five-year period of the Agreement. Rates are established to recover the cost of airport operations, maintenance, and debt service for the terminal, terminal systems, and airfield. The Agreement provides for payment to the carriers to distribute revenue sharing and settlement funds.

C. Departmental Fiscal Review: M. Summer

III. REVIEW COMMENTS

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

 Pete Rauwer 7/30/19
 OFMB (2/19) 7/29

 D. J. Dawson 8/12/19
 Contract Dev. and Control
 8/12/19 TW

B. Legal Sufficiency:

 Anne Helgent 8-5-19
 Assistant County Attorney

C. Other Department Review:

 Department Director

REVISED 11/17

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)