

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: October 22, 2019 [ X ] Consent [ ] Regular  
[ ] Workshop [ ] Public Hearing

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) **Approve** a Terminal Building Lease Agreement (Lease) with the General Services Administration (GSA), an executive agency of the United States of America, for the lease of approximately 11,101 square feet of space within the Palm Beach International Airport (PBI) Terminal Building, for payment of initial annual rental of \$873,602.77, commencing November 1, 2019, and expiring October 31, 2027.
- B) **Authorize** the County Administrator or designee to execute, on behalf of County, Rental Adjustment Amendments in the form attached as Exhibit "E" to the Lease, to reflect rental adjustments to be made each October 1st throughout the term of the Lease.

**Summary:** The Lease provides for the lease of office and support space by the GSA for the Transportation Security Administration (TSA). Rental rates are established in accordance with the rates for non-signatory airlines under the PBI Signatory Airline Agreement (R2019-1155) and are subject to adjustment each October 1. GSA requires that rental rate adjustments be made through an amendment on the form attached as Exhibit "E" to the Lease. The Department is requesting a delegation of authority to the County Administrator or designee to sign Rental Adjustment Amendments. For purposes of this delegation, the Director of Airports shall be considered a designee. **Countywide (HJF)**

**Background and Justification:** GSA currently leases space for the TSA under a Terminal Space Lease Agreement (R2011-1160), which expires October 31, 2019. The Lease may be terminated by either party upon 90 days prior written notice. Rental includes a maintenance charge of \$2.00 per square foot of leased space.

**Attachments:**

- 1. Terminal Building Lease Agreement (3)

Recommended By: Laura Bube 10-2-19  
Department Director Date

Approved By: [Signature] 10/18/19  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

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

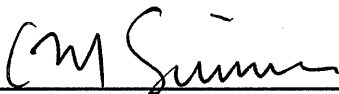
Fiscal Years	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	(\$800,802.54)	(\$873,602.77)	(\$873,602.77)	(\$873,602.77)	(\$873,602.77)
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<b>(\$800,802.54)</b>	<b>(\$873,602.77)</b>	<b>(\$873,602.77)</b>	<b>(\$873,602.77)</b>	<b>(\$873,602.77)</b>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

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

Budget Account No: Fund 4100 Department 120 Unit 8430 RSource 4413  
 Reporting Category \_\_\_\_\_

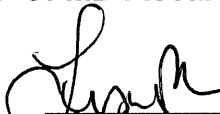
**B. Recommended Sources of Funds/Summary of Fiscal Impact:**


GSA will pay an initial rental amount of \$873,602.77 annually, which includes \$841,899.84 in shell rental for the leasehold space at the FY2020 rate of \$75.84 per square foot; \$9,500.93 for ATO (airline ticket office) common area; and \$22,202 for maintenance, based on \$2.00 per square foot of leased space. The amount of \$800,802.54 for FY2020 is based on 11 months at the initial rental rate. Rental is subject to adjustment each October 1 based on terminal rental rates for non-signatory airlines.

C. Departmental Fiscal Review: 

**III. REVIEW COMMENTS**

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

 10/21/19  
 OFMB Dir. 10/01

 10/15/19  
 Contract Dev. and Control

**B. Legal Sufficiency:**

 10/16/19  
 Assistant County Attorney

**C. Other Department Review:**

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

REVISED 11/17

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