

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: December 7, 2021

Consent     Regular  
 Workshop     Public Hearing

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to receive and file: Amendment No. 3 (Amendment) to Terminal Building Lease Agreement (R-2019-1616, as amended) (Lease) with the General Services Administration (GSA), an executive agency of the United States of America, adjusting GSA's rental rate under the Lease, effective October 1, 2021.

**Summary:** The Lease provides for the lease of office and support space in the Palm Beach International Airport (PBI) terminal building by the GSA, on behalf of the Transportation Security Administration. Rental rates are adjusted each October 1, in accordance with the terminal rates for non-signatory airlines under the standard form Signatory Airline Agreement (R-2019-1155). GSA requires that rental rate adjustments be memorialized by amendment using a format attached as an exhibit to the Lease. The Amendment adjusts the rental rate to \$65.66 square feet, commencing October 1, 2021. **Countywide (AH)**

**Background and Justification:** The Amendment is in the form attached as an exhibit to the Lease, for which authority was delegated to the Director of Airports to sign in Agenda Item 3F1, on October 22, 2019.

**Attachments:**

- 1. Amendment No. 3

Recommended By:

Fel Louisa Burke  
Department Director

11-3-21  
Date

Approved By:

JC Baker  
County Administrator

11/12/21  
Date

**II. FISCAL IMPACT ANALYSIS**

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

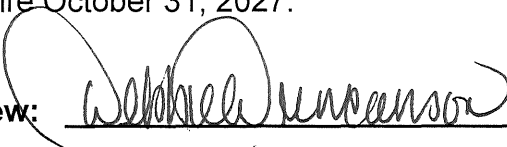
Fiscal Years	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	<u>\$43,751.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>\$43,751.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

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:**

PBI terminal rental rates are adjusted each October 1 in accordance with the rates for non-signatory airlines under the standard form Signatory Airline Agreement (R-2019-1155). This Amendment adjusts the rental rate effective October 1, 2021, from \$69.29 per square foot to \$65.66 per square foot, so annual rental for Fiscal Year 2022 will decrease by \$43,751.38, from \$800,070.66 to \$759,319.28. Future year rental adjustments cannot be predicted at this time and the fiscal impact, if any, for any future adjustment will be presented at that time. The Lease is scheduled to expire October 31, 2027.

C. Departmental Fiscal Review: 


**III. REVIEW COMMENTS**

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

 11/5/21  
 BR 1114 OFMB 9/11/4/21

 11/9/21  
 Contract Dev. and Control 11-9-21 m

**B. Legal Sufficiency:**

 For A. Helfant 11/9/21  
 Assistant County Attorney

**C. Other Department Review:**

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

REVISED 11/17

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

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>	<b>LEASE AMENDMENT No. 3</b>
<b>LEASE AMENDMENT</b>	<b>TO LEASE NO. GS-04P-LFL00876</b>
<b>ADDRESS OF PREMISES:</b> <b>Palm Beach International Airport</b> <b>846 Palm Beach International Airport</b> <b>West Palm Beach, FL 33406-1470</b>	

**THIS AMENDMENT NO. 3 TO TERMINAL BUILDING LEASE AGREEMENT (“Amendment”)** is made and entered into between **Palm Beach County** (“County” or “Lessor”)

whose address is: 846 Palm Beach International Airport  
West Palm Beach, FL 33406-1405

and the **General Services Administration**, an executive agency of the **United States of America**, hereinafter called the “Government” or “Lessee”:

**WHEREAS**, the parties hereto entered into that certain Terminal Building Lease Agreement dated October 22, 2019, (R2019-1616, as amended) (GSA Lease No. GS-04P-LFL00876) (the “Lease”); and

**WHEREAS**, the parties hereto desire to amend the above Lease, to adjust the rental rates applicable to the Premises, as provided in Section 4.05(A) of the Lease.

**NOW THEREFORE**, the parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease shall be amended as follows, effective as of October 1, 2021:

I. Section 4.01 of the Lease is deleted in its entirety and replaced with the following Section 4.01:

4.01 Rental, ATO Office Common Area Charge and Maintenance and Repair Expense.

A. Effective October 1, 2021 Government shall pay to County annual rental, payable in equal monthly installments in arrears, at the following annual rates:

	Annual Rental	Section
Shell Rental Rate	\$728,891.66	4.01(B)
Other (ATO Office Common Area Charge)	\$8,225.62	4.01(C)
Operating Costs (Maintenance and Repair Expense)	\$22,202.00	4.01(D)
<b>Total Annual Rental</b>	<b>\$759,319.28</b>	

B. Rental. Rental to be paid by Lessee for the Premises shall be in accordance with the rental rates for Non-Signatory Airlines, as set forth in the Signatory Airline Agreement. Rental rates shall be adjusted in accordance with Section 4.05. Effective October 1, 2021, the annual rental shall be Sixty-Five Dollars and Sixty-Six Cents (\$ 65.66) per square foot of the Premises, as follows (the “Shell Rental”):

*IRS PW*

	Area Location/ Description	Square Feet	Annual Rental
(i)	Coordination Center Space, Level Three	700	\$45,962.00
(ii)	Ticket/ATO Office Space, Level Three	748	\$49,113.68
(iii)	Level One Concourse "C"	1,802	\$118,319.32
(iv)	Level One Concourse "C"	1,132	\$74,327.12
(v)	Level Two, Concourse "A/B" Checkpoint Office	287	\$18,844.42
(vi)	Level Two, Concourse "C" Checkpoint Office	294	\$19,304.04
(vii)	Level One Operations Area Offices; Concourse "A/B" Connector	4,494	\$295,076.04
(viii)	Level Offices Two; across from Concourse "C" Checkpoint entry	831	\$54,563.46
(ix)	TSA Training Lab (Level One, Concourse "C")	813	\$53,381.58
INITIAL ANNUAL SHELL RENTAL SUBTOTAL:		11,101	\$728,891.66

C. ATO Office Common Area Charge. Lessee shall pay to County the ATO Office Common Area Charge for its use of ATO Office Common Area. The ATO Office Common Area Charge shall be calculated as follows

ATO Office Common Area Charge =

Square Footage of ATO Office Space Leased to Lessee	x 514 square feet x Terminal Rental Rate
3069 Square Feet of ATO Office Space	

Lessee leases approximately 748 square feet of ATO Office Space; therefore, based on the Terminal Rental Rate in effect as of October 1, 2021 the annual ATO Office Common Area Charge as of October 1, 2021 will be \$8,225.62 (i.e., [748/3069] x 514 x \$65.66 = \$8,225.62). The ATO Office Common Area Charge shall be payable in arrears, without demand, in equal monthly installments on or before the tenth (10<sup>th</sup>) day of each month. The ATO Office Common Area Charge shall be adjusted each October 1<sup>st</sup> 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.

D. 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").

- II. Except as modified herein, all terms and conditions of the Lease shall remain in full force and effect.
- III. This Amendment shall be effective as of October 1, 2021.
- IV. The remainder of this page is intentionally left blank.

INITIALS: JS JW & DS JT  
 LESSOR & GOV'T

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

PALM BEACH COUNTY:

By: *Lana Burke EW*  
Director of Airports

Date signed by County: 10/20/21

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: *1st Anne Helfant*  
County Attorney

WITNESSES:

*Carlos Williams*  
Signature  
2AFA9E8C2BC24BE...  
Carlos Williams

DocuSigned by:  
*Daniilo Galan*  
Signature  
87261325E325401...  
Daniilo Galan  
Typed or Printed Name

LESSEE:  
General Services Administration

By: *James Thompson*  
Signature  
9CAC1C4CA2CB4C4...

James Thompson  
Typed or Printed Name

Title: Contracting officer

Date signed by Lessee: 10/20/2021

INITIALS: *SIS pw* LESSOR & *DT* GOV'T

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>	LEASE AMENDMENT No. 3
<b>LEASE AMENDMENT</b>	TO LEASE NO. GS-04P-LFL00876
ADDRESS OF PREMISES: Palm Beach International Airport 846 Palm Beach International Airport West Palm Beach, FL 33406-1470	

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INITIALS: JB & DS  
LESSOR & GOV'T

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PALM BEACH COUNTY:

By: *Laura Baker*  
Director of Airports

Date signed by County: 10/21/21

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: *1st Anne Helfant*  
County Attorney

WITNESSES:

DocuSigned by:  
*Carlos Williams*  
Signature  
2AFA9E8C2BC24BE...  
Carlos williams

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Signature  
7261325E325401...  
Danilo Galan  
Typed or Printed Name

LESSEE:  
General Services Administration

By: *James Thompson*  
Signature  
1CACC4CA2CB4C4...

James Thompson  
Typed or Printed Name

Title: Contracting Officer

Date signed by Lessee: 10/20/2021

INITIALS: *LB* & *JT*  
LESSOR GOV'T



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INITIALS: JB 201 & DS  
 LESSOR & GOV'T

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PALM BEACH COUNTY:

By: *Laura Beck RW*  
Director of Airports

Date signed by County: 10/20/21

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: *1st Anne Helfant*  
County Attorney

WITNESSES:

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LESSEE:  
General Services Administration

By: *James Thompson*  
Signature  
0CAC1C4CA2CB4C4...

James Thompson  
Typed or Printed Name

Title: Contracting officer

Date signed by Lessee: 10/20/2021

INITIALS: *LB RW* LESSOR & *DT* GOV'T