

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

=====  
Meeting Date: March 14, 2023

[ X ] Consent    [ ] Regular  
[ ] Workshop    [ ] Public Hearing

Submitted By: Department of Airports  
  
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I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to receive and file:** First Amendment to Signatory Airline Agreement with Delta Air Lines, Inc. (Delta) at the Palm Beach International Airport (PBI) (R-2020-0225) (Agreement), replacing the terminal area leasehold space exhibit to reflect a net reduction of 52.89 square feet of space from Delta's leasehold, with no reduction of annual rental, effective February 6, 2023.

**Summary:** Delta requested to discontinue use of one ticket counter position in the main terminal and add kiosk positions in the alcove across from their ticket counters to facilitate passenger check-in. Resolution 2019-1155 authorizes the County Administrator or designee, the Director of the Department of Airports, to agree to modifications to an airline's leasehold premises. Countywide (AH)

**Background and Justification:** N/A

**Attachments:** One (1) First Amendment to Signatory Airline Agreement.  
  
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Recommended By: RW Diana Burke Department Director                      2-7-23 Date

Approved By: \_\_\_\_\_ MBaker \_\_\_\_\_ Date 2/13/23  
County Administrator

**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<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>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

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

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

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

Although Delta will lease 52.89 square feet less area due to their request to discontinue use of one ticket counter position in the main terminal and add kiosk positions in the alcove across from their ticket counters, the total rental will remain unchanged. If Delta adds additional space in the future, additional rental would be due only on the increased area beyond 52.89 additional square feet.

**C. Departmental Fiscal Review:**

Debbie Munson  
 (Signature)  
 2-6-23

**III. REVIEW COMMENTS**

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

Lisa Mata 2/10/2023  
 OFMB PA 2/9 ms 2/9

Eric J. Jacobson 2/10/23  
 Contract Dev. and Control  
 MS 2/10/23

**B. Legal Sufficiency:**

[Signature]  
 Assistant County Attorney  
 for Anne Helfant

**C. Other Department Review:**

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

REVISED 11/17

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

**FIRST AMENDMENT TO SIGNATORY AIRLINE AGREEMENT BETWEEN  
PALM BEACH COUNTY AND DELTA AIR LINES, INC.**

**THIS FIRST AMENDMENT TO SIGNATORY AIRLINE AGREEMENT** (this "First Amendment") is made and entered into this February 6, 2023, by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Delta Air Lines, Inc., a Delaware corporation, having its offices and principal place of business at 1030 Delta Boulevard, Atlanta, GA 30354 ("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 Signatory Airline Agreement between County and Airline dated October 31, 2019 (R-2020-0225) (the "Agreement"), Airline leases various terminal facilities and equipment at the Airport in connection with its operations as a commercial air carrier; and

**WHEREAS**, the parties desire to amend the Agreement to amend Exhibit "B", Preferential Use Premises (Terminal Areas) 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 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 into 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 as of the date first written above.

*(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:

Ray Walter  
Signature  
Ray WALTER  
Print Name

Shawna Larose  
Signature  
Shawna Larose  
Print Name

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

BY: [Signature]  
Director, Department of Airports

**APPROVED AS TO FORM & LEGAL SUFFICIENCY:**

Anne Delgant  
County Attorney

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

[Signature]  
Signature  
TIMOTHY DEBORD  
Print Name

Annina Trebunicevic  
Signature  
Annina Trebunicevic  
Print Name

**Airline: Delta Air Lines, Inc.**

By: [Signature]  
Typed or printed name of Corporate Officer

Title: Brian Mattingly  
**General Manager - Corporate Real Estate**

(Seal)

**EXHIBIT B**

**PREFERENTIAL USE PREMISIS (TERMINAL AREAS)**

Curbside Office Space  
Rooms 3145 & 3146  
169 SF

"ALCOVE"  
199 SF

"TSD"  
252 SF

**Terms applicable to this Amendment No. 1:**

Discontinue use of counter area "TSD" (252 s.f.) upon commencing the use of "ALCOVE" (199 s.f.)

Ticket Counter TSD: 252 SF  
ALCOVE: 199 SF  
Difference: 53 Square Feet

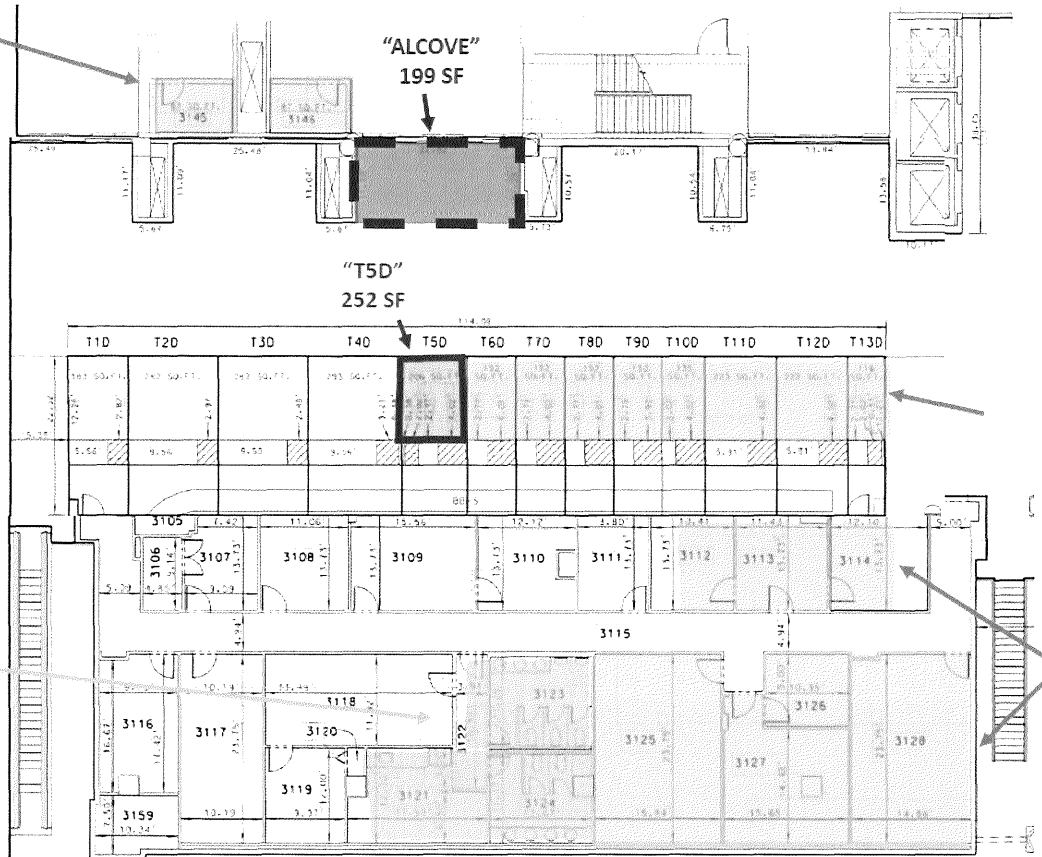
Although there is a decrease of 53 square feet as a result of this Amendment No. 1, billing will remain unchanged. In the event Airline adds 53 or more square feet of space to its leasehold pursuant to a subsequent amendment to this Agreement, billing will be adjusted accordingly in such future amendment.

Tenant Shared Area  
514 SF

Total Ticket Office Area, excluding  
Tenant Shared Area and 712 SF hallway  
3,069SF

Ticket Counter  
1,510 SF  
(includes 1,258 SF  
T6D thru T13D plus  
252 SF TSD)

Ticket Office  
1,521 SF





## Palm Beach County Compliance Summary Report

Vendor Number	Vendor Name	AM Best Rating	Insurance Carrier	Policy #	Eff. Date	Exp. Date
DX00000718	Delta Air Lines, Inc.	Modified	Compliant with Minor/Expiring Deficiencies			
		A++g , XV	ACE American Insurance Company	ISAH25553925	2/1/2022	2/1/2023
		A+g , XV	Allianz Global Risks US Insurance Company	A1AL000764722AM	12/21/2022	12/21/2023
		A++r , XV	Shared Risk Coverage	Multiple Policies	12/21/2022	12/21/2023
		A++g , XV	Indemnity Insurance Company of North America	WLRC6892635A	2/1/2022	2/1/2023

**Risk Profile :** Standard - General Services

**Required Additional Insured :** Palm Beach County Board of County Commissioners

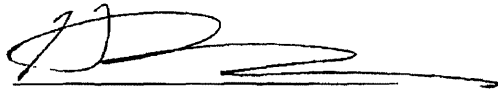
**Ownership Entity :**

**Delegation of Authority -  
Corporate Real Estate Department  
for Properties Contracts and Commitments**

As an officer of Delta Air Lines, Inc., the undersigned hereby delegates to the persons holding the following positions from time to time in the Corporate Real Estate Department authority to execute and deliver on behalf of Delta Air Lines, Inc. corporate real estate properties contracts and commitments in amounts set forth opposite the person's position below. If a delegation of authority is granted for a specific project with a different authority limit, the specific project authorization preempts and supersedes this Delegation of Authority.

<u>Title</u>	<u>Amount per contract or commitment</u>
Managing Director	Up to \$20 million
Director/General Manager	Up to \$ 5 million
Regional Director/Regional Manager	Up to \$500,000
Manager/Project Manager	Up to \$100,000

Dated this 8<sup>th</sup> day of January, 2018.



Holden Shannon  
Senior Vice President – Corporate Real Estate

**Delegation of Authority -  
Corporate Real Estate Department for  
Amendments and Modifications to Corporate Real Estate  
Properties Contracts or Commitments**

The Delegation of Authority – Corporate Real Estate Department for Properties Contracts and Commitments includes authority to execute and deliver amendments, modifications and change orders to contracts and commitments; provided, however, that if as a result of an amendment, modification or change order the value of the contract or commitment exceeds the authority delegated to the person’s position pursuant to the Delegation of Authority – Corporate Real Estate Department for Properties Contracts and Commitments, such amendment, modification or change order must be executed and delivered by a person having authority to execute and deliver a contract or commitment with the value of the contract as amended, modified or changed.

Dated this 8<sup>th</sup> day of January, 2018.



Holden Shannon  
Senior Vice President – Corporate Real Estate