

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: August 20, 2024

Consent Regular
 Workshop Public Hearing

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a Release to Travelers Casualty and Surety Company of America (Travelers) for the release and return of Payment and Performance Bond No. 107012392 in the amount of \$43,000,000 (Bond), securing the construction of improvements at the Palm Beach International Airport (PBI) by Gulfstream Product Support Corporation (Gulfstream) pursuant to the Fixed Based Operator Lease Agreement (Lease) (R-2017-0281, as amended) with Gulfstream.

Summary: Gulfstream was required to construct an aviation facility and related improvements at PBI pursuant to the Lease. The Bond was issued by Travelers to secure the completion of the improvements and payment for labor and materials for the construction by Gulfstream. The improvements are complete; therefore, Travelers has requested return of the original Bond as well as the Release. The Release includes a Tenant Certification by Gulfstream certifying the improvements have been completed, all contractors, subcontractors and suppliers have been paid, and there are no outstanding or pending claims. Countywide (HJF)

Background and Justification: The County entered into the Lease with Jet Aviation Associates, Ltd. (Jet), a Florida Limited Partnership, on March 14, 2017. On October 16, 2018, Jet assigned the Lease to Gulfstream, an affiliate of Jet, in accordance with the requirements of the Lease. Gulfstream completed the improvements required by the Lease in 2020; therefore, the Bond is no longer required to be maintained pursuant to the Lease. This item provides for the formal release of the Bond to Travelers.

Attachments: Release (1)

Recommended By:  Department Director 7/22/24 rw Date

Approved By:  County Administrator 7/20/24 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<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>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

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

Budget Account No: Fund 4100 Department 120 Unit _____ Object _____
 Reporting Category _____

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

No Fiscal Impact.

C. Departmental Fiscal Review: *Debbie Duncan*

III. REVIEW COMMENTS

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

Lisa Martin 7/23/2024
 KK 7/23 OFMB JA 7/23

Brenda Mack 7/25/24
 Contract Dev. and Control
 7/25/24

B. Legal Sufficiency:

[Signature]
 Assistant County Attorney

C. Other Department Review:

 Department Director

TENANT CERTIFICATION

Gulfstream Product Support Corporation, a Delaware corporation, having its office and principal place of business at 4320 Green Street, West Palm Beach, FL 33406, as "Tenant", pursuant to that certain Fixed Base Operator Lease Agreement dated March 14, 2017 (R-2017-0281, as amended) (the "Lease") between Tenant and Palm Beach County, a political subdivision of the State of Florida ("County"), hereby certifies the following to County:

1. The "Required Improvements" (as defined in the Lease) have been completed in accordance with the terms and conditions of the Lease.
2. Any and all payments to contractors, subcontractors and/or suppliers in connection with the Required Improvements have been paid, and there are no outstanding or pending claims whatsoever.

The foregoing Tenant Certification is made by Tenant as a material inducement to County to provide the following Release.

**Signed, sealed and delivered
in the presence of two witnesses
for Tenant:**

Kandice H
Signature
Kandice Harvey
Print Name
Julie Snyder
Signature
Julie Snyder
Print Name

**Tenant:
GULFSTREAM PRODUCT SUPPORT
CORPORATION**

By: [Signature]
James R. Whalen, Assistant Secretary

(Seal)

RELEASE

Travelers Casualty and Surety Company of America issued a Payment and Performance Bond (Bond No. 107012392) in the amount of \$43,000,000 (the "Bond") at the request of the Gulfstream Product Support Corporation, as Principal, for the benefit of Palm Beach County and its Department of Airports, as Owner.

Owner hereby fully and unconditionally discharges and releases the Bond and releases Travelers Casualty and Surety Company of America ("Travelers") from any and all past, present and future liability under said Bond. The original Bond will be returned to Travelers concurrently with execution and delivery hereof and Owner hereby surrenders any and all rights associated with the Bond. The undersigned warrants that he or she has the authority to execute this Release on behalf of the Owner and to bind the Owner hereunder.

**ATTEST:
JOSEPH ABRUZZO,
CLERK OF THE CIRCUIT COURT
AND COMPTROLLER**

By: _____
Deputy Clerk

**PALM BEACH COUNTY,
A POLITICAL SUBDIVISION OF THE
STATE OF FLORIDA, BY ITS BOARD
OF COUNTY COMMISSIONERS**

By: _____
Maria Sachs, Mayor

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: [Signature]
County Attorney

**APPROVED AS TO TERMS
AND CONDITIONS**

By: [Signature]
Director, Department of Airports
[Signature]