Agenda	Item:	5A1
-		

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date: February 4, 2025	[]	Consent	[X] Regular
Submitted By: Department of Airports	[]	Workshop	[] Public Hearing
Submitted By: Department of Airports			<u>وست مان این اوراد این این این این این این این این این این</u>
	FCUTIV	E BRIEF	na ana ana ana ana ana ana ana ana ana

Motion and Title: Staff recommends motion to approve:

- (A) Second Amendment (Second Amendment) to Term Contract for the Operation and Maintenance of Baggage Handling Systems (BHS) at the Palm Beach International Airport (PBI) (Contract No. 23-015/MD; R2023-0219) (Contract) with Oshkosh AeroTech, LLC (Oshkosh) increasing the not to exceed amount by \$7,111,174.03, providing for the renewal of the Contract for one (1) additional one (1) year term, commencing February 28, 2025, and expiring on February 27, 2026, with the option to renew for two (2) additional one (1) year periods; and
- (B) A Budget Transfer in the amount of \$4,542,469, in the Airport's Operations Fund to provide budget for the Amendment; and
- (C) A Budget Amendment in the amount of \$4,459,639, in the Airport's Improvement and Development Fund to provide budget for the Amendment.

Summary: On February 7, 2023, the Board of County Commissioners (BCC) approved the Contract for the operation, maintenance and repair of the BHS and related equipment at PBI in the amount of \$4,417,698.07 with an initial term of two (2) years. On May 14, 2024, the BCC approved the First Amendment to the Contract (R2024-0574), increasing the contract amount by \$2,928,626.63 for a total contract amount of \$7,346,324.70, which provided for replacement of two (2) baggage claim carousel units. The Contract expires on February 27, 2025, with the option to renew for three (3) additional one (1) year periods. The Second Amendment exercises the first renewal term, commencing on February 28, 2025, and expiring on February 27, 2026, and increases the contract amount by \$7,111,174.03 for a total contract amount of \$14,457,498.73. The Second Amendment includes funding for the operation, maintenance and repair of the BHS and related equipment, including the replacement of two (2) additional baggage claim carousel units. Airlines utilizing the BHS at PBI pay for the full cost of the system through rates and charges established annually in accordance with the Signatory Airline Agreement (R2019-1155). Oshkosh's principal place of business is Orlando, Florida. This Contract was presented to the Goal Setting Committee on July 6, 2022, and the Committee established an Affirmative Procurement Initiative (API) of Small Business Enterprise (SBE) Evaluation Preference for SBE participation. Oshkosh committed to 17.60% SBE participation. The SBE participation for the Second Amendment is 15%. To date, the overall participation achieved on this Contract is 15%. Pursuant to changes to Chapter 332, Florida Statutes, effective July 1, 2023, a governing body of a medium hub commercial service airport may not approve purchases of contractual services in excess of \$1,000,000 on a consent agenda. The Second Amendment exceeds the threshold amount and must be approved on the regular agenda. Countywide (AH)

Background and Policy Issues: The BHS provides for the sortation and conveyance of checked baggage from the ticket counters to baggage makeup areas for pick up by the airlines and includes the baggage claim carousels that deliver baggage to arriving passengers. The continued functionality of the BHS is critical to on-going airline operations.

Attachments:

- 1. Second Amendment (3) (w/ Exhibit D)
- 2. Budget Transfer
- 3. Budget Amendment

Recommended By:	ana Bube	112125
	Department Director	Date
Approved By:	c. ayal- Callo	1/23/25
	Assistant County Administrator	/ Date
	$\langle \rangle$. /

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Capital Expenditures	<u>\$4,119,639</u>	\$340,000			
Operating Costs	<u>\$1,449,821</u>	<u>\$1,201,715</u>			
External Revenues (Grants) Program Income (County)		······		<u> </u>	
In-Kind Match (County) NET FISCAL IMPACT	<u>\$5,569,460</u>	<u>\$1,541,715</u>			
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in the 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 <u>4100</u> Department <u>120</u> Unit <u>2547</u> Object <u>4620</u> Fund <u>4111</u> Department <u>121</u> Unit <u>A355</u> Object <u>6504</u>

Reporting Category

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

Approval of this item provides budget for the Second Amendment to the BHS contract with Oshkosh increasing the not to exceed amount by \$7,111,174.03.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

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

B. Legal Sufficiency:

2 Hale \$ 1-7-25

Assistant County Attorney

C. Other Department Review:

Department Director

REVISED 11/17 (THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

1/4/25 Contract Dev. and Control 26 1.2.25

SECOND AMENDMENT TO CONTRACT FOR OPERATION AND MAINTENANCE OF BAGGAGE HANDLING SYSTEMS AT PALM BEACH INTERNATIONAL AIRPORT (Contract No. 23-015/MD)

THIS SECOND AMENDMENT, dated <u>February 4</u>, 2025, to Contract No. 23-015/MD, dated February 7, 2023, is made by and between Palm Beach County, a political subdivision of the State of Florida, by and through its Board of Commissioners ("COUNTY"), and Oshkosh AeroTech, LLC, located at 7300 Presidents Drive, Orlando, FL, a corporation authorized to do business in the State of Florida, ("CONTRACTOR").

WITNESSETH:

WHEREAS, the COUNTY and John Beach Technologies Corporation ("JBT") entered into that certain Contract dated February 7, 2023 (R2023-0219) ("Contract"), whereby JBT agreed to operate, maintain, and repair all inbound, outbound automated Checked Baggage Inspection System/Checked Baggage Reconciliation Areas (CBIS/CBRA), and manual sortation Baggage Handling Systems ("BHS") and related equipment at the Palm Beach International Airport; and

WHEREAS, on May 14, 2024, the COUNTY approved the assignment of the Contract from JBT to JBT Aerotech Corporation ("JBT Aerotech"); and

WHEREAS, on February 16, 2024, JBT Aerotech changed its name to Oshkosh Aerotech, LLC; and

WHEREAS, the parties entered into that certain First Amendment to the Contract, dated May 14, 2024 (R2024-0574), ("First Amendment"); and

WHEREAS, the parties desire to amend the Contract as provided for in this Second Amendment.

NOW THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the COUNTY and the CONTRACTOR agree as follows:

1. <u>RECITALS</u>:

The above recitals are true and correct and are incorporated by reference.

2. <u>ARTICLE 3 - SCHEDULE</u>, is hereby deleted in its entirety and replaced with the following:

The CONTRACTOR shall commence services on February 28, 2023, and complete all services by February 27, 2026, with two (2) one (1) year options for renewal at the sole discretion of the COUNTY.

Reports and other items shall be delivered and/or completed in accordance with Exhibit A.

- 3. <u>ARTICLE 4 PAYMENTS TO CONTRACTOR</u>, paragraph A, is hereby deleted in its entirety and replaced with the following:
 - A. The total amount to be paid by the COUNTY under this contract shall not exceed Fourteen Million Four Hundred Fifty-Seven Thousand Four Hundred Ninety-Eight Dollars and Seventy-Three Cents (\$14,457,498.73), comprised of Four Million Six Hundred Three Thousand One Hundred Sixty-Three Dollars and Eleven Cents (\$4,603,163.11) for the operation and maintenance, and Nine Million Eight Hundred Fifty-Four Thousand Three Hundred Thirty-Five Dollars and Sixty-Two Cents (\$9,854,335.62) for special project work, including but not limited to, subcontracted/support work, parts, equipment, supplies and software.

The CONTRACTOR shall notify the COUNTY's representative, in writing, when ninety percent (90%) of the total "not-to-exceed amount" has been reached.

- 4. Exhibit A, Scope of Work/Services, Section 18, <u>MISCELLANEOUS</u> <u>REQUIREMENTS</u>, is hereby amended to add the following services:
 - N. The CONTRACTOR shall provide porter services for baggage on as needed basis as directed by COUNTY.
- 5. <u>ARTICLE 37 HUMAN TRAFFICKING AFFIDAVIT</u>, is hereby added to the Contract to read as follows:

CONTRACTOR warrants and represents that it does not use coercion for labor or services as defined in Section 787.06, Florida Statutes. CONTRACTOR has executed Exhibit D, Nongovernmental Entity Human Trafficking Affidavit, which is attached hereto and incorporated herein by reference.

- Exhibit A, Scope of Work/Services, subsection B of Section 21, <u>DUTIES THE</u> <u>CONTRACTOR IS NOT REQUIRED TO PERFORM</u>, is hereby deleted in its entirety.
- 7. Exhibit D, Nongovernmental Entity Human Trafficking Affidavit, attached hereto as Attachment No. 1, is hereby incorporated to the Contract.
- 8. All other provisions of the Contract are hereby confirmed and, except as provided herein, are not otherwise altered or amended and shall remain in full force and effect.
- 9. In accordance with Palm Beach County Code Chapter 2, Article III, Section 2.51, as amended, this Second Amendment shall not take effect until executed by the CONTRACTOR and COUNTY.

THE REST OF THIS PAGE IS LEFT BLANK INTENTIONALLY

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida, has made and executed this Second Amendment to the Contract on behalf of the COUNTY and the CONTRACTOR has hereunto set its hand the day and year above written.

ATTEST:

JOSEPH ABRUZZO CLERK OF CIRCUIT COURT AND COMPTROLLER

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS:

By: **Deputy Clerk**

WITNESSES:

Kari Hammon Name (type or print)

Angela Name (type or

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: (Ime

County Attorney

By: Maria G. Marino, Mayor

CONTRACTOR:

Oshkosh AeroTech, LLC **Company Name**

BY: Signature

Gary Barlow Typed Name

Controller, Airport Services Title

APPROVED AS TO TERMS AND CONDITIONS

By: Laura Beebe, Director of Airports

4

EXHIBIT D

NONGOVERNMENTAL ENTITY HUMAN TRAFFICKING AFFIDAVIT Section 787.06(13), Florida Statutes

THIS AFFIDAVIT MUST BE SIGNED AND NOTARIZED

I, the undersigned, am an officer or representative of

Oshkosh AeroTech, LLC

(CONTRACTOR) and attest that CONTRACTOR does not use coercion for labor or services as defined in section 787.06, Florida Statutes.

Under penalty of perjury, I hereby declare and affirm that the above stated facts are true and correct.

or representative) (signature of officer

Gary Barlow - Controller, Airport Services (printed name and title of officer or representative)

State of UTAH _, County of WEBER

Sworn to and subscribed before me by means of \square physical presence or \square online notarization this, <u>18</u> day of <u>December</u>, by <u>2024</u>.

Personally known Ø OR produced identification □.

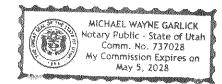
Type of identification produced _____

<u>OMICHS</u> Michael Wayne Garlick

NOTARY PUBLIC My Commission Expires:

May 5, 2028

State of UTAH at large



(Notary Seal)



BOARD OF COUNTY COMMISIONERS PALM BEACH COUNTY, FLORIDA **EXPENDITURE BUDGET TRANSFER**

BGEX 120-121124*523

	FUND	FU	IND 4100	Airport Operations F	und				
ACCOUNT NUMBER	ACCOUNT NAME	UNIT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 12/11/24	REMAINING BALANCE
EXPENDITURES			·····						
120-2547-4620	Rep/Maint-Equipment	Baggage Handling System Main	ite 2,020,365	2,020,365	82,830	0	2,103,195	445,289	1,657,906
820-9000-9223	Tr To Airport Imprv/ Devip Fd 4111	Transfers	40,000,000	40,000,000	4,459,639	0	44,459,639	3,333,333	41,126,306
120-9900-9901	Contingency Reserves	Operating Reserves	58,569,818	50,955,205	0	4,542,469	46,412,736		46,412,736
	Total Expenditures			Weather and a second	4,542,469	4,542,469		-	

SIGNATURES

Kennett / Mark Initiating Department/Division

12/11/24 13/2025-

DATES

Administration/Budget Department Approval

OFMB Department - Posted

BY BOARD OF	COUNTY COMMISSIONERS
At Meeting of:	Tuesday, February 4, 2025
	puty Clerk to the County Commissioners



BOARD OF COUNTY COMMISIONERS PALM BEACH COUNTY, FLORIDA **BUDGET AMENDMENT**

BGEX 121-121124*522

BGRV 121-121124*184

	FU	ND FUND 4111	Airport Impre	ovement & Develo	pment Fund				
ACCOUNT NUMBER	ACCOUNT NAME	UNIT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED as of 12/11/24	REMAINING BALANCE
REVENUES									
800-9100-8221	Tr From Airport Operations Fu	nd 4 Transfers	40,000,000	40,000,000	4,459,639	0	44,459,639		44,459,639
	Total Fund Revenues		232,225,381	242,756,988	4,459,639	0	247,216,627	-	
EXPENDITURES									
121-A355-6504	lotb Non Infrastructure	PB Baggage Handling System (OM	3,042,732	1,649,705	4,459,639	0	6,109,344	1,146,390	4,962,954
	Total Fund Expenditures	-	232,225,381	242,756,988	4,459,639	0	247,216,627	-	

SIGNATURES

Kuntet Mark

DATES 12/11/24

1/3/2025

 $\lambda \simeq$

Administration/Budget Department Approval

OFMB Department - Posted

BY BOARD OF	COUNTY COMMISSIONERS
At Meeting of:	Tuesday, February 4, 2025
	puty Clerk to the County Commissioners

Updated by OFMB 06/18/2024