

EXHIBIT "E"
to Signatory Airline Agreement for
Palm Beach International Airport

RATE AND FEE SCHEDULE

SECTION I - DEFINITIONS

The following words, terms and phrases used in this Exhibit "E" shall have the meanings set forth in this Section and the meanings shall apply to both the singular and plural forms of such words, terms and phrases. Additional words, terms and phrases used in this Exhibit "E", but not defined in this Section, shall have the meanings ascribed to them in the individual sections of this Exhibit "E", Signatory Airline Agreement or Bond Resolution. The specific methodologies for calculating the rates, fees and charges defined below can be found in Section II of this Exhibit "E".

1. Airfield Cost Center means the Direct Cost Center further described in **Table E-7** of this Exhibit "E".
2. Aircraft Parking Fees mean a fee assessed by County for each aircraft parking operation that occurs on any portion of the Aircraft Apron Area located outside of an Air Transportation Company's Preferential Use Premises. Three (3) types of Aircraft Parking Fees are imposed by County for aircraft parking: Overnight Gate; Overnight Remote and Transient Remote. For purposes of determining applicable Aircraft Parking Fees, (i) "Transient" means aircraft parking for a duration of two (2) hours or less; (ii) "Remote" means those portions of the Aircraft Parking Apron, which are not located adjacent to an aircraft gate (commonly referred to as east/west remote aircraft parking areas); and (iii) "Overnight" means a period from 10:00 p.m. to 6:00 a.m., or eight (8) hours of continuous duration.
3. Amortization Charges means the annual amount to recover Capital Expenditures that are paid for with County funds exceeding Three Hundred Thousand Dollars (\$300,000). Amortization Charges shall be calculated by County based on the expected useful life of the Capital Expenditure and shall include a reasonable rate of return, as determined by Department. Amortization Charges shall not be recovered by County before the completion of the applicable project.
4. Bag means each item handled through the Baggage Handling System.
5. Baggage Handling System (BHS) Cost Center means the Direct Cost Center further described in **Table E-7** of this Exhibit "E".
6. Baggage Handling System (BHS) Fee means a fee assessed by County on a per bag basis for use of the Baggage Handling System.
7. Commuter Operating Charge means a charge assessed by County for the use of the Commuter Operating Area.
8. Cost Center means those areas or functional activities of the Airport used for the purposes of accounting for Revenues, Operation and Maintenance Expenses, Debt Service, Non-amortized Capital Expenditures and Amortization and for calculating and adjusting certain fees and charges described herein, as they now exist or may hereafter be modified, changed, or developed.
9. Debt Service means any principal, interest, premium, and other fees and amounts either paid or accrued for Bonds (exclusive of capitalized interest) or Other Indebtedness.
10. Debt Service Coverage means twenty five percent (25%) of Debt Service in a Rate Setting Period.
11. Debt Service Reserve Requirement has the meaning set forth in the Bond Resolution.
12. Direct Cost Centers includes the Cost Centers listed in **Table E-7** of this Exhibit "E".

13. Federal Inspection Services (FIS) Facility Fee means a fee assessed by County for use of the FIS Facility by an Air Transportation Company transporting international passengers.
14. Fuel Flowage Fees means the fuel flowage fees that are charged by County for each gallon of aviation fuel and oil sold by or through the fixed base operators at the Airport, but shall not include Aircraft Apron Fees charged pursuant to County Resolution R-2005-0457, as now or hereafter amended or superseded, or any other fee or charge based upon fuel flowage used to recover facility costs.
15. Indirect Cost Centers includes the Cost Centers listed in **Table E-8** of this Exhibit "E".
16. Joint Use Charges means the total charges imposed for use of the Joint Use Premises.
17. Landing Fee means a fee assessed by County on Air Transportation Companies based on the Landed Weight of each Revenue Landing.
18. Net Remaining Revenues means Revenues less Operation and Maintenance Expenses, Operation and Maintenance Reserve, Debt Service and Amortization in the Terminal, Airfield or Baggage Handling System Cost Centers.
19. Non-amortized Capital Expenditures means Capital Expenditures funded with County funds of Three Hundred Thousand Dollars (\$300,000) or less.
20. Non-signatory Airline means an Air Transportation Company operating at the Airport that is not a Signatory Airline.
21. Operation and Maintenance Expenses means County's costs for the operation, maintenance and repair of the Airport System and shall include, but shall not be limited to, salaries and employee benefits, utility costs, ordinary maintenance, administrative and general expenses, security, and all such other expenses as defined and determined in accordance with the Bond Resolution.
22. Operation and Maintenance Reserve means an amount equal to one sixth (1/6) of the amount appropriated in the annual budget for Operation and Maintenance Expenses for the then current Fiscal Year; provided, however, the amount may be reduced by a supplemental resolution in accordance with the Bond Resolution.
23. Other Indebtedness means any debt other than Bonds incurred by County for Airport purposes.
24. Per Use Gate Charge means a charge assessed by County for each use of an unassigned aircraft gate facility for a period not to exceed two (2) hours. The gate facility includes holdroom, loading bridge, pre-conditioned air, and 400 Hertz systems. Per Use Gate Charges shall not apply to the use of gate facilities that are included in an Air Transportation Company's Preferential Use Premises pursuant to an agreement with County.
25. Per Use Ticket Counter Charge means a charge assessed by County for each use of unassigned ticket counter (two (2) positions) and one (1) baggage well for a period not to exceed two (2) hours. Per Use Ticket Counter Charges shall not apply to the use of ticket counter areas that are included in an Air Transportation Company's Preferential Use Premises pursuant to an agreement with County.
26. Rate Setting Period means the Fiscal Year for which the rates, fees and charges are being calculated hereunder.
27. Standard Holdroom Square Footage means a uniform measurement used for the sole purpose of calculating certain fees and charges payable hereunder of one thousand eight hundred (1,800) square feet applied to each holdroom located within Concourses B and C. The Standard Holdroom Square Footage shall be used for purposes of determining an Air Transportation Company's rates and charges regardless of the actual physical dimensions of each holdroom.

28. Standard Ticket Counter Square Footage means a uniform measurement of two hundred eighteen (218) square feet used for the sole purpose of calculating Per Use Ticket Counter Charges, but does not represent the actual physical dimensions of the ticket counter area.
29. Terminal Cost Center means the Direct Cost Center further described in **Table E-7** of this Exhibit “E”.
30. Terminal Rental means the license fees and charges imposed by County on a per square foot basis for the use of the Airline Premises, which is comprised of the Joint Use Premises and Preferential Use Premises.
31. Total Rentable Space has the meaning set forth in **Attachment E-2** to this Exhibit “E”.

SECTION II - RATE CALCULATIONS

1. Explanation of Rate Calculation Line Items. The following Line Items listed in **Tables E-1 - E-3** are included in the calculation of Terminal Rental Rate, Landing Fee Rate and Baggage Handling System Fee Rate for each Rate Setting Period. Each Line Item in **Tables E-1 - E-3** is identified by the corresponding letter set forth below.

Line Item A. Operation and Maintenance Expenses. This Line Item includes those expenses directly assignable to the Terminal, Airfield or Baggage Handling System Cost Centers (“Direct Operation and Maintenance Expenses”) and those expenses associated with operation and maintenance of the Airport and assignable to the Indirect Cost Centers (“Indirect Operation and Maintenance Expenses”). Indirect Operation and Maintenance Expenses shall be allocated to the Direct Cost Centers on the basis of the procedures set forth in Section V(3) below. The sum of Direct Operation and Maintenance Expenses and Indirect Operation and Maintenance Expenses are hereinafter referred to as “Operation and Maintenance Expenses”.

Line Item B. Operation and Maintenance Reserve Charge. This Line Item includes the Operation and Maintenance Reserve for the current Rate Setting Period less the Operation and Maintenance Reserve for the prior Rate Setting Period allocated to the Terminal, Airfield and Baggage Handling System Cost Centers.

Line Item C. Debt Service. This Line Item includes Debt Service directly assignable to the Terminal, Airfield or Baggage Handling System Cost Centers (“Direct Debt Service”) and Debt Service assignable to the Indirect Cost Centers (“Indirect Debt Service”). Indirect Debt Service shall be allocated to the Direct Cost Centers on the basis of the procedures set forth in Section V(3) below for the distribution of Indirect Operation and Maintenance Expenses. The sum of Direct Debt Service and Indirect Debt Service are hereinafter referred to as “Total Debt Service”. For the purposes of the Signatory Airline Agreement, annual Debt Service costs for the Palm Beach International Airport System Revenue Bonds Series 2006A and 2016 (Series 2006A and Series 2016) shall be allocated one hundred percent (100%) to the Ground Transportation Cost Center. Debt Service costs for future bond issues/series, if any, shall be allocated by the Department based on the estimated benefits to the various cost centers.

Line Item D. Debt Service Coverage. This Line Item includes Debt Service Coverage attributable to the Terminal, Airfield, or Baggage Handling System Cost Centers.

Line Item E. Debt Service Reserve Requirement. This Line Item includes allocable portions of required deposits to the Debt Service Reserve Requirement attributed to the Terminal, Airfield, or Baggage Handling System Cost Centers.

Line Item F. Non-amortized Capital Expenditures. This Line Item includes Non-amortized Capital Expenditures attributable to the Terminal, Airfield, or Baggage Handling System Cost Centers.

Line Item G. Amortization Charges. This Line Item includes Amortization Charges attributable to the Terminal, Airfield, or Baggage Handling System Cost Centers.

Line Item H. Total Requirement. The Total Requirement is the sum of the following line items: Operation and Maintenance Expenses, Operation and Maintenance Reserve Charge, Debt Service, Debt Service Coverage, Debt Service Reserve Requirement, Non-amortized Capital Expenditures and Amortization Charges. The Total Requirement is applicable to Terminal, Airfield and Baggage Handling System Cost Centers.

Line Item I. Credits. This Line Item identifies the Credits to the Total Requirement. Credits to the Terminal Total Requirement in **Table E-1** include Per Use Gate Charges, Per Use Ticket Counter Charges, FIS Facility Fees and the prior period Debt Service Coverage. Credits to the Airfield Total Requirement in **Table E-2** include General Aviation Landing Fee Revenues, Airfield Services Revenues, Fuel Flowage Fees and the prior period Debt Service Coverage. Credits to the Baggage Handling System Total Requirement in **Table E-3** include the prior period Debt Service Coverage, if any.

Line Item J. Net Requirement. The Net Requirement equals Total Requirement minus Credits.

Line Item K. Line Item K in **Tables E-1 - E-3** shall be defined as follows:

- Total Rentable Space. The term "Total Rentable Space" in **Table E-1** has the meaning set forth in **Attachment E-2** to this Exhibit "E".
- Total Landed Weight. The term "Total Landed Weight" in **Table E-2** means the Landed Weight for all commercial airlines, including Signatory and Non-signatory Airlines.
- Total Bags. The term "Total Bags" in **Table E-3** means the total number of bags processed for all commercial airlines, including Signatory and Non-signatory Airlines.

Line Item L. Line Item L in **Tables E-1 - E-3** shall be calculated as follows:

- Non-signatory Terminal Rental Rate. Calculated in **Table E-1** as (J) Terminal Net Requirement divided by (K) Total Rentable Space.
- Non-signatory Landing Fee Rate. Calculated in **Table E-2** as (J) Airfield Net Requirement divided by (K) Total Landed Weight.
- BHS Fee Rate. Calculated in **Table E-3** as (J) BHS Net Requirement divided by (K) Total Enplanements.

Line Item M. Line Item M in **Tables E-1 - E-2** shall be defined as follows:

- Signatory Airline Space. Signatory Airline Space in **Table E-1** means that portion of the Total Rental Rentable Space assigned for use by Signatory Airlines, including Preferential Use Premises and the calculated share of Joint Use Premises.
- Signatory Airline Landed Weight. Signatory Airline Landed Weight in **Table E-2** means that portion of the Total Landed Weight associated with Signatory Airline operations only.

Line Item N. Line Item N in **Tables E-1 - E-2** shall be calculated as follows:

- Signatory Share of Terminal Net Requirement. Calculated in **Table E-1** as (L) Non-signatory Terminal Rental Rate multiplied by (M) Signatory Airline Space.
- Signatory Share of Airfield Net Requirement. Calculated in **Table E-2** as (L) Non-signatory Landing Fee Rate multiplied by (M) Signatory Airline Landed Weight.

Line Item O. Line Item O in **Tables E-1 - E-2** shall be calculated as follows:

- Total Terminal Revenue Sharing Amount. Calculated in accordance with **Section III – Revenue Sharing** of this Exhibit “E”. See Note 1.
- Total Airfield Revenue Sharing Amount. Calculated in accordance with **Section III – Revenue Sharing** of this Exhibit “E”. See Note 2.

Line Item P. Line Item P listed in **Tables E-1 - E-2** shall be calculated as follows:

- Signatory Terminal Net Requirement. Calculated in **Table E-1** as (N) Signatory Share of the Terminal Net Requirement minus (O) Total Terminal Revenue Sharing Amount.
- Signatory Airfield Net Requirement. Calculated in **Table E-2** as (N) Signatory Share of the Airfield Net Requirement minus (O) Total Airfield Revenue Sharing Amount.

Line Item Q. Line Item Q listed in **Tables E-1 - E-2** shall be calculated as follows:

- Signatory Rental Rate. Calculated in **Table E-1** as (P) Signatory Terminal Net Requirement divided by (M) Signatory Airline Space.
- Signatory Landing Fee Rate. Calculated in **Table E-2** as (P) Signatory Airfield Net Requirement divided by (M) Signatory Airline Landed Weight.

2. Calculation of Terminal Rental, Landing Fee and Baggage Handling System Rates. The Terminal Rental Rate, Landing Fee Rate and Baggage Handling System Rate for each Rate Setting Period shall be calculated as set forth in this subsection.

A. Terminal Rental Rate. The methodology for calculating the Terminal Rental Rate is set forth in **Table E-1** below.

Table E-1. Terminal Rental Rate Calculation	
	Line Item (See Section II(1) above for corresponding descriptions)
Operation and Maintenance Expenses	A
Operation and Maintenance Reserve Charge	B
Debt Service	C
Debt Service Coverage	D
Debt Service Reserve Requirement	E
Non-amortized Capital Expenditures	F
Amortization Charges	G
Terminal Total Requirement	H=A+B+C+D+E+F+G
Less: Credits to Terminal Total Requirement	I

Terminal Net Requirement	J=H-I
Total Rentable Space	K
Non-Signatory Terminal Rental Rate (per square foot)	L=J/K
Signatory Airline Space	M
Signatory Share of Terminal Net Requirement	N=L x M
Total Terminal Revenue Sharing Amount (see Note 1)	O
Signatory Terminal Net Requirement	P=N-O
Signatory Rental Rate (per square foot)	Q=P/M

Note 1: Total Terminal Revenue Sharing Amount for rate setting shall be calculated at ninety-five percent (95%) of Total Terminal Revenue Sharing Amount. One hundred percent (100%) of the Total Terminal Revenue Sharing Amount shall be used for the final Settlement calculation.

- B. Landing Fee Rate. The methodology for calculating the Landing Fee Rate is set forth in **Table E-2** below.

Table E-2. Landing Fee Rate Calculation	
	Line Item (See Section II(1) above for corresponding descriptions)
Operation and Maintenance Expenses	A
Operation and Maintenance Reserve Charge	B
Debt Service	C
Debt Service Coverage	D
Debt Service Reserve Requirement	E
Non-amortized Capital Expenditures	F
Amortization Charges	G
Airfield Total Requirement	H=A+B+C+D+E+F+G
Less: Credits to Airfield Total Requirement	I
Airfield Net Requirement	J=H-I
Total Landed Weight	K
Non-signatory Landing Fee Rate (per 1,000 lb.)	L=J/K
Signatory Airline Landed Weight	M
Signatory Share of Airfield Net Requirement	N=L x M
Total Airfield Revenue Sharing Amount (see Note 2)	O
Signatory Airfield Net Requirement	P=N-O
Signatory Landing Fee Rate (per 1,000 lb.)	Q=P/M

Note 2: Total Airfield Revenue Sharing Amount for rate setting shall be calculated at ninety-five percent (95%) of Total Airfield Revenue Sharing Amount. One hundred percent (100%) of the Total Airfield Revenue Sharing Amount shall be used for the final Settlement calculation.

- C. Baggage Handling System Fee Rate: The methodology for calculating the Baggage Handling System Fee Rate is set forth in **Table E-3** below.

Table E-3. Baggage Handling System Fee Rate Calculation	
	Line Item (See Section II(1) above for corresponding descriptions)
Operation and Maintenance Expenses	A
Operation and Maintenance Reserve Charge	B
Debt Service	C
Debt Service Coverage	D
Debt Service Reserve Requirement	E
Non-amortized Capital Expenditures	F
Amortization Charges	G
BHS Total Requirement	$H=A+B+C+D+E+F+G$
Less: Credits to BHS Total Requirement	I
BHS Net Requirement	$J=H-I$
Total Bags	K
BHS Fee Rate (per Bag)	$L=J/K$

3. Calculation of Joint Use Charges. Joint Use Charges shall be an amount equal to the product of the applicable Terminal Rental Rate (i.e., Signatory or Non-signatory) for the Rate Setting Period multiplied by total square footage of the Joint Use Premises. Each Air Transportation Company's share of Joint Use Charges shall be determined by allocating the cost based on each Air Transportation Company's projected relative share of Enplanements for the upcoming Rate Setting Period.
4. Miscellaneous Fees and Charges.
- A. Commuter Operating Charge. Any Air Transportation Company using the Commuter Operating Area will be assessed a fee based on the Total Passengers, as established by the Department to maximize Revenues while maintaining a reasonable cost per passenger for commuter operations.
- B. FIS Facility Fee. The FIS Facility Fee shall be equal to the sum of Operation and Maintenance Expenses, Debt Service, Debt Service Coverage, Debt Service Reserve Requirement, Operation and Maintenance Reserve, Non-amortized Capital Expenditures and Amortization Charges attributable to the FIS Facility divided by projected total international Deplaned Passengers using the FIS Facility during the Rate Setting Period.
- C. Per Use Gate Charge. The Per Use Gate Charge shall be equal to the product of the Non-signatory Terminal Rental Rate multiplied by the Standard Holdroom Square Footage (1,800 square feet) divided by 365 days per year divided by an assumed usage (2.5 times per day). An electric surcharge shall be payable as determined by the Department and may be modified annually. The methodology for calculating the Per Use Gate Charge is set forth in **Table E-4** below.

Table E-4. Per Use Gate Charge Calculation	
Total Holdroom Area	A
Number of Gates	B
Square Footage Per Gate (Standardized)	$C=A/B$
Terminal Rental Rate	D
Annual Cost Per Gate	$E=C \times D$
CUPPs System Cost	F
Annual Cost Per Gate	$G=E+F$
Days in Year	H
Average Uses Per Day	I
Per Use Fee - Gates	$J=G/H/I$
Electric Usage Fee	K
Per Use Fee - Gates	$L=J+K$

- D. Per Use Ticket Counter Charge. The Per Use Ticket Counter Charge shall be equal to the product of the Non-signatory Terminal Rental Rate multiplied by the Standard Ticket Counter Square Footage (two hundred eighteen (218) square feet) plus an annual surcharge for the common use passenger processing system (CUPPs) divided by 365 days per year divided by an assumed usage (2.5 times per day). The methodology for calculating the Per Use Ticket Counter Charge is set forth in **Table E-5** below.

Table E-5. Per Use Ticket Counter Charge Calculation	
Average Ticket Counter Area	A
Terminal Rental Rate	B
Annual Cost Per Ticket Counter	$C=A \times B$
CUPPs System Cost	D
Total Cost Per Ticket Counter	$E=C+D$
Days in Year	F
Average Uses Per Day	G
Per Use Fee - Ticket Counters	$H=E/F/G$

- E. Overnight Remote Aircraft Parking Fee. Any Air Transportation Company parking an aircraft in a Remote location Overnight shall be charged a fee per Overnight period as established by the Department.
- F. Overnight Gate Aircraft Parking Fee. Any Air Transportation Company parking an aircraft Overnight at an aircraft gate, which is not licensed to such Air Transportation Company on a Preferential Basis, shall be charged a fee per Overnight period as established by the Department.
- G. Transient Remote Aircraft Parking Fee. Any Air Transportation Company parking an aircraft in a Remote location shall be charged a fee per Transient period as established by the Department.

SECTION III - REVENUE SHARING

1. **Revenue Sharing.** Revenue Sharing shall be calculated by County in accordance with this Section. The following Line Items listed in **Table E-6** are included in the calculation of Revenue Sharing. Each Line Item in **Table E-6** is identified by the corresponding letter set forth below.

Line Item A. Net Remaining Revenues. Net Remaining Revenues will be estimated for purposes of rate setting and will be calculated after Settlement for purposes of final Settlement. Availability of Revenue Sharing shall be subject to and contingent upon County's ability to satisfy its financial obligations and to meet its Debt Service Coverage requirements in each Fiscal Year.

Line Item B. Revenue Sharing Percentage. The Revenue Sharing Percentage for all Signatory Airlines shall be equal to thirty-five percent (35%).

Line Item C. Total Revenue Sharing Amount. Line Item C shall be calculated as follows:

- **For purposes of rate setting:** the Total Revenue Sharing Amount shall be calculated at ninety-five percent (95%) of the Total Revenue Sharing Amount (i.e., reduced by five percent (5%)), or stated as a calculation: Total Revenue Sharing Amount for Rate Setting = (Net Remaining Revenues x 35%) x 95%.
- **For purposes of final Settlement:** the Total Revenue Sharing Amount shall be an amount equal to the Net Remaining Revenues, if any, multiplied by the Revenue Sharing Percentage thirty-five percent (35%). One hundred percent (100%) of total Revenue Sharing Amount shall be used for the final Settlement calculation, or stated as a calculation: Total Revenue Sharing Amount for Settlement = (Net Remaining Revenues x 35%) x 100%.

Line Item D. Total Terminal Revenue Sharing Amount. The Total Terminal Revenue Sharing Amount shall be an amount equal to the Total Revenue Sharing Amount multiplied by Terminal Revenue Percentage. Terminal Revenue Percentage shall be an amount equal to the Terminal proportionate share of the sum of Signatory Airlines' Terminal Rental Revenues and Landing Fee Revenues prior to calculating Revenue Sharing.

Line Item E. Total Airfield Revenue Sharing Amount. The Total Airfield Revenue Sharing Amount shall be an amount equal to the Total Revenue Sharing Amount multiplied by the Airfield Revenue Percentage. Airfield Revenue Percentage shall be an amount equal to the Airfield proportionate share of the sum of Signatory Airlines' Terminal Rental Revenues and Landing Fee Revenues prior to calculating Revenue Sharing.

Line Item F. Airline's Terminal Revenue Sharing Amount. Each individual Signatory Airline's (including Airline's) Terminal Revenue Sharing Amount shall be an amount equal to the Total Terminal Revenue Sharing Amount multiplied by the individual Signatory Airline's proportionate share of total Signatory Airline Enplanements during the Fiscal Year for which Revenue Sharing has been calculated.

Line Item G. Airline's Airfield Revenue Sharing Amount. Each individual Signatory Airline's (including Airline's) Airfield Revenue Sharing Amount shall be an amount equal to the Total Airfield Revenue Sharing Amount multiplied by the individual Signatory Airline's proportionate share of the total Landed Weight of the Signatory Airlines during the Fiscal Year for which Revenue Sharing has been calculated.

Line Item H. Airline's Total Revenue Sharing Amount. Each individual Signatory Airline's (including Airline's) Total Revenue Sharing Amount shall be an amount equal to the sum of Airline's Terminal Revenue Sharing Amount and Airline's Airfield Revenue Sharing Amount.

2. Table E-6. The methodology for calculating each Signatory Airline's (including Airline's) share of Revenue Sharing is set forth in **Table E-6** below.

Table E-6. Signatory Airline Revenue Sharing Calculation	
	Line Item (See Section III(1) above for corresponding descriptions)
Net Remaining Revenues	A
Revenue Sharing Percentage (All Signatory Airlines)	B
Total Revenue Sharing Amount (All Signatory Airlines)	$C=A \times B$
Total Terminal Revenue Sharing Amount (All Signatory Airlines)	$D=C \times \text{Terminal Revenue \%}$
Total Airfield Revenue Sharing Amount (All Signatory Airlines)	$E=C \times \text{Airfield Revenue \%}$
Airline's Terminal Revenue Sharing Amount (Individual Signatory Airline)	$F=D \times \text{Airline's \% of total Signatory AirlineEnplanements}$
Airline's Airfield Revenue Sharing Amount (Individual Signatory Airline)	$G=E \times \text{Airline's \% of total Signatory AirlineLanded Weight}$
Airline's Total Revenue Sharing Amount (Individual Signatory Airline)	$H=F+G$

SECTION IV - MISCELLANEOUS

1. Airline Incentive Agreement. Any Air Transportation Company may execute a separate airline incentive agreement if the incentive requirements established by County are satisfied. An airline incentive agreement may provide for the waiver of Landing Fees, gate usage charges, or other applicable fees and charges for a prescribed period of time. Gate usage charges may include, but shall not be limited to, Per Use Gate Charges and Aircraft Parking Fees.

SECTION V – COST CENTERS

1. Direct Cost Centers. The Direct Cost Centers include, but are not limited to, those Cost Centers listed in **Table E-7** below.

Table E-7. Direct Cost Centers	
Cost Center	Description of Area Included or Functional Activity
Airfield	Those portions of the Airport provided for the landing, taking off, and taxiing of aircraft, including runways, taxiways, approach and runway protection zones, safety areas, infield areas, landing and navigational aids, Aircraft Parking Apron and land areas required by or related to aeronautical use of the Airport.
Terminal	The commercial airline facilities at the Airport, including the Terminal and associated land, facilities, equipment, whether owned, operated or maintained by County. This Cost Center includes the inbound baggage handling system used to deliver checked baggage to arriving passengers, which includes baggage claim areas, systems, equipment and carousels, but excludes the Baggage Handling System as defined herein.

Baggage Handling System	The outbound baggage handling system used to deliver checked baggage to departing aircraft, which includes the baggage makeup areas, systems, equipment and carousels at the Airport, exclusive of the TSA inspection equipment.
Ground Transportation	Areas designated for employee and public automobile parking and rental car operations (excluding rental car ticket counters in the Terminal), and all Airport access roadways.
Non-Aviation	Areas designated for commercial or industrial use.
Aviation	Areas designated for fixed base operator or other aviation uses, including general aviation aprons at the Airport.
General Aviation FIS Facility	The FIS building located on the south side of the Airport.
Lantana Airport (LNA)	All properties and areas associated with the Palm Beach County Park Airport (" <u>Lantana Airport</u> ").
Pahokee Airport (PHK)	All properties and areas associated with the Palm Beach County Glades Airport (" <u>Pahokee Airport</u> ").
North County Airport (F45)	All properties and areas associated with the North Palm Beach County General Aviation Airport (" <u>North County Airport</u> ").

2. Indirect Cost Centers. The Indirect Cost Centers are Cost Centers to which only Operation and Maintenance Expenses are assigned; no Revenues are attributable to the Indirect Cost Centers. The Indirect Cost Centers include, but are not limited to, those Cost Centers listed in **Table E-8** below.

Table E-8. Indirect Cost Centers	
Cost Center	Description of Area Included or Functional Activity
Administration and Operations	Functions and activities associated with the general Airport Systems administration, certain Indirect Operation, and Medic services.
Maintenance	Functions and activities associated with the general maintenance and repair of Airport properties.
Fire and Rescue	Emergency medical services and functions associated with crash, fire and rescue operations at the Airport. Medic Services costs shall be allocated separately using the administrative Cost Center allocation methodology.

3. Indirect Cost Centers Allocations. Expenses for each Indirect Cost Center shall be allocated to the Direct Cost Centers as provided for in this subsection.
- A. Administration and Operations. Expenses for the Administration and Operations Cost Center shall be allocated to Direct Cost Centers on the basis of each Direct Cost Center's share of total Operation and Maintenance Expenses for all Direct Cost Centers.
- B. Maintenance. Expenses for Maintenance shall be allocated to Direct Cost Centers on the basis of estimated labor costs based on historical data for activity associated with each Direct Cost Center.
- C. Fire and Rescue. Expenses for Fire and Rescue shall be allocated to Direct Cost Centers according to the following percentages as set forth in **Table E-9** below.

Table E-9. Fire and Rescue Allocation	
Cost Center	Allocation
Airfield	70%
Terminal	4.0%
Baggage Handling System	0.0%
Ground Transportation	3.0%
Aviation	12.0%
Non-Aviation	4.0%
Lantana Airport	3.0%
Pahokee Airport	1.0%
North County Airport	3.0%
Total	100%

**ATTACHMENT “E-1”
TO EXHIBIT “E”**

**STATEMENT OF RATES
FISCAL YEAR 2021**

(October 1, 2020, through September 30, 2021)

SECTION I – FY 2021 SUMMARY of RATES

1. Terminal Rental Rate. Signatory Airline: \$69.29 per square foot. Non-signatory Airline: \$69.29
2. per square foot.

3. Landing Fee Rate. Signatory Airline: \$2.17 per 1,000 pounds of Landed Weight. Non-signatory Airline: \$2.17 per 1,000 pounds of Landed Weight.

4. Baggage Handling System Fee Rate: \$2.10 per Bag.

5. Commuter Operating Charge Rate: \$2.00 per each passenger (Total Passengers) using the Commuter Operating Area.

6. Federal Inspection Services (FIS) Facility Fee Rate: \$3.40 per international Deplaned Passenger requiring FIS processing.

7. Per Use Terminal Charges:
 - a. Base Gate/Holdroom Charge Rate: \$136.00 per two (2) hour use, or any portion thereof, plus \$25.00 for electric surcharge.

 - b. Per Use Ticket Counter Charge Rate: \$16.00 per two (2) hour use, or portion thereof, of ticket counter area.

 - c. CUPPS Charge: \$20.00 per two (2) hour use, or portion thereof, to use the Common Use Passenger Processing System either at the ticket counter or gate location.

8. Aircraft Parking Fee Rates:
 - a. Overnight Remote Aircraft Parking Fee Rate: \$125.00 for each Overnight use of Remote aircraft parking area.

 - b. Overnight Gate Aircraft Parking Fee Rate: \$200.00 for each Overnight use of a gate facility for aircraft parking.

 - c. Transient Remote Aircraft Parking Fee Rate: \$50.00 for each Transient use of Remote aircraft parking area.

SECTION II – FY 2020 RATE CALCULATIONS TABLE

Terminal Rental Rate Calculation		
(See Table E-1)	Line Item	Dollars
Operation and Maintenance Expenses	A	\$25,878,280
Operation and Maintenance Reserve Charge	B	488,052
Debt Service	C	0
Debt Service Coverage (25%)	D	0
Debt Service Reserve Requirement	E	0
Non-amortized Capital Expenditures	F	500,000
Amortization Charges	G	3,223,673
Terminal Total Requirement	H=A+B+C+D+E+F+G	\$30,090,005
Less: Credits to Terminal Total Requirement	I	\$3,997,060
Terminal Net Requirement	J=H-I	\$26,092,945
Total Rentable Space	K	376,594
Non signatory Terminal Rental Rate (per square foot)	L=J/K	\$69.29
Signatory Airline Rented Space	M	163,008
Signatory Share of Net Requirement	N=L x M	11,294,283
Total Terminal Revenue Sharing Amount (see Note 1)	O	-
Net Signatory Requirement	P=N-O	11,294,283
Signatory Rental Rate (per sq ft)	Q=P/M	\$ 69.29

Note 1: The Total Terminal Revenue Sharing Amount for rate setting calculated at ninety-five percent (95%) of Total Terminal Revenue Sharing Amount. One hundred percent (100%) of the Total Terminal Revenue Sharing Amount will be used for the final Settlement calculation.

SECTION II – FY 2020 RATE CALCULATIONS TABLE (Cont.)

Landing Fee Rate Calculation		
(See Table E-2)		
Operation and Maintenance Expenses	A	\$9,103,205
Operation and Maintenance Reserve Charge	B	169,161
Debt Service	C	0
Debt Service Coverage (25%)	D	0
Debt Service Reserve Requirement	E	0
Non-amortized Capital Expenditures	F	535,000
Amortization Charges	G	342,875
Airfield Total Requirement	H=A+B+C+D+E+F+G	\$10,150,241
Less: Credits to Airfield Total Requirement	I	\$3,851,558
Airfield Net Requirement	J=H-I	\$6,298,683
Total Landed Weight	K	2,903,148
Non-Signatory Landing Fee Rate (per 1,000 lb.)	L=J/K	\$2.17
Signatory Landed Weight	M	2,705,524
Signatory Share of Airfield Net Requirement (See Note 2)	N=L x M	5,869,917
Revenue Sharing	O	0
Net Signatory Requirement	P=N-O	5,869,917
Signatory Landing Rate (per 1,000 lb.)	Q=P/M	\$ 2.17

Note 2: The Total Airfield Revenue Sharing Amount for rate setting shall be calculated at ninety-five percent (95%) of Total Airfield Revenue Sharing Amount. One hundred percent (100%) of the Total Airfield Revenue Sharing Amount shall be used for the final Settlement calculation.

SECTION II – FY 2020 RATE CALCULATIONS TABLE (Cont.)

Baggage Handling System Fee Rate Calculation		
(See Table E-3)		
Operation and Maintenance Expenses	A	\$2,651,828
Operation and Maintenance Reserve Charge	B	\$65,904
Debt Service	C	\$0
Debt Service Coverage (25%)	D	\$0
Debt Service Reserve Requirement	E	\$0
Non-amortized Capital Expenditures	F	\$0
Amortization Charges	G	\$262,263
BHS Total Requirement	H=A+B+C+D+E+F+G	\$2,979,995
Less: Credits to BHS Total Requirement	I	\$0
BHS Net Requirement	J=H-I	\$2,979,995
Total Bags	K	1,416,280
BHS Fee Rate (per enplanement)	L=J/K	\$2.10

Per Use Gate Charge Calculation		
(See Table E-4)		
	Line Item	Dollars
Total Holdroom Area	A	50,400
Number of Gates	B	28
Square Footage per Gate (Standardized)	C=A/B	1,800
Terminal Rental Rate	D	\$ 69.29
Annual Cost one Gate	E=CxD	\$ 124,716
Annual CUPPS Cost	F	\$ 17,813
Annual Cost per Gate	G=E+F	\$ 142,529
Days in Year	H	\$ 365
Average Uses per Day	I	2.50
Per Use Fee- Gates	J=G/H/I	\$ 156
Electric Usage Fee	K	\$ 25
Per Use Fee - Gates	I+J+K	\$ 181.00

Per Use Ticket Counter Charge		
(See Table E-5)		
	Line Item	Dollars
Ticket Counter Area	A	218
Terminal Rental Rate	B	\$ 69.29
Annual cost Per Ticket Counter Unit	C=AxB	\$ 15,104
Annual CUPPS Cost	D	\$ 18,115
Total Cost per Ticket Counter	E=C+D	\$ 33,220
Days in Year	F	\$ 365
Average Uses per Day	G	2.50
Per Use Fee - Ticket Counters	H=E/F/G	\$ 36.00

**ATTACHMENT “E-2”
TO EXHIBIT “E”**

**TOTAL RENTABLE SPACE
FISCAL YEAR 2021**

Airline Rentable Space	Sq. Ft.
Airline Preferential Space	
Ticket Counter	12,389
Ticket & Upper Level Offices	15,891
VIP Rooms	4,240
Hold Rooms	50,400
Curbside Office	1,302
Bag Service Office	3,243
Operations Area	56,153
Total Airline Preferential Space	143,618
Airline Joint Use Space	
Bag Claim	33,618
Concourse Circulation	0
Bag Make-up	67,009
Commuter Operating Area	0
Tug Drive	0
Total Airline Joint Use Space	100,627
Total Airline Rentable Space	[C] = [A + B] 244,245
Other Rentable Space	
Concessions	65,567
TSA	53,328
Commuter Operating Area	4,829
Tenant Common Area	8,111
Tenant Shared Area	514
Total Other Rentable Space	[D] 132,349
Total Rentable Space	[E] = [C + D] 376,594