

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: February 4, 2025 ☐ Consent ☒ Regular
 ☐ Workshop ☐ Public Hearing

Submitted By: Department of Airports

I. EXECUTIVE BRIEF

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: Lana Burke 1/21/25
 Department Director Date

Approved By: _____
 Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

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

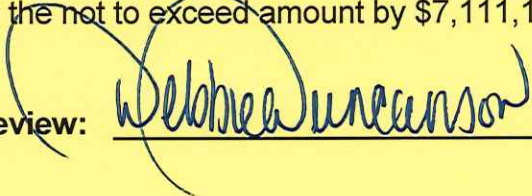
Is Item Included in the Current Budget? Yes No X
Does this item include the use of Federal funds? Yes No X
Does this item include the use of State funds? Yes No X

Budget Account No: Fund 4100 Department 120 Unit 2547 Object 4620
Fund 4111 Department 121 Unit A355 Object 6504

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:

OFMB

Contract Dev. and Control

B. Legal Sufficiency:

Assistant County Attorney

C. Other Department Review:

Department Director

**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 _____, 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. RECITALS:

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

2. ARTICLE 3 - SCHEDULE, 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. ARTICLE 4 - PAYMENTS TO CONTRACTOR, 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, MISCELLANEOUS REQUIREMENTS, 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. ARTICLE 37 - HUMAN TRAFFICKING AFFIDAVIT, 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.

6. Exhibit A, Scope of Work/Services, subsection B of Section 21, DUTIES THE CONTRACTOR IS NOT REQUIRED TO PERFORM, 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

By: _____
Maria G. Marino, Mayor

WITNESSES:

Kari Hammon
Signature

Kari Hammon
Name (type or print)

Angela Vega
Signature

Angela Vega
Name (type or print)

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

By: _____
County Attorney

CONTRACTOR:

Oshkosh AeroTech, LLC
Company Name

BY: Gary Barlow
Signature

Gary Barlow
Typed Name

Controller, Airport Services
Title

APPROVED AS TO TERMS
AND CONDITIONS

By: Laura Beebe
Laura Beebe, Director of Airports

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.


(signature of officer or representative)

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 ☒ physical presence or ☐ online notarization this, 18 day of December, by 2024.

Personally known ☒ OR produced identification ☐.

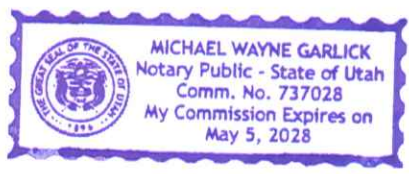
Type of identification produced _____.

 Michael Wayne Garlick

NOTARY PUBLIC
My Commission Expires:

May 5, 2028

State of UTAH at large



(Notary Seal)



Palm Beach County
Compliance Summary Report

Vendor Number	Vendor Name	AM Best Rating	Insurance Carrier	Policy #	Eff. Date	Exp. Date	Coverage	Contract Number	Contract Name
DX00002028	Oshkosh AeroTech LLC fka JBT AeroTech Corp.		Compliant with Minor/Expiring Deficiencies					23-015/MD	Operation and Maintenance of Baggage Handling Systems at Palm Beach International Airport
		A+p , XV	Harford Fire Insurance Company	83ABS68003	10/1/2024	10/1/2025	Auto Liability		
		A++g , XV	Westchester Surplus Lines Insurance Company	G72515511004	4/1/2024	4/1/2025	Excess Liability		
		A+p , XV	Harford Accident and Indemnity Company	83wns68000	10/1/2024	10/1/2025	Workers Comp		
		A+p , XV	Twin City Fire Insurance Company	83wbrs68001	10/1/2024	10/1/2025	Workers Comp		

Risk Profile : Standard - General Services-AOA
Required Additional Insured : Palm Beach County Board of County Commissioners
Ownership Entity :

OSHKOSH AEROTECH, LLC

**ACTION OF THE SOLE MEMBER
BY UNANIMOUS WRITTEN CONSENT**

The undersigned, being the sole member of Oshkosh AeroTech, LLC, a Delaware limited liability company (the "Company"), does hereby consent to the adoption of the following resolutions, pursuant to statute and the Company Operating Agreement:

**RESOLUTION FOR AUTHORITY TO
EXECUTE BID BONDS, BID PROPOSALS,
PERFORMANCE BONDS AND CONTRACTS**

BE IT RESOLVED, that the following officers and employees are authorized to sign bid bonds, bid proposals, performance bonds and contracts related to such bid proposals on behalf of the Company, provided, however, that bid bonds, bid proposals, performance bonds, Powers of Attorney and contracts related to such bid proposals involving sums in excess of \$50 million shall be countersigned by any of Messrs. Pfeifer, Pack or Cortina.

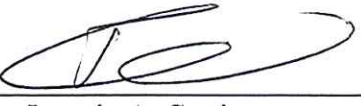
John C. Pfeifer	Chief Executive Officer
James W. Johnson	Chief Operating Officer
Charles F. Durst	President
Ignacio A. Cortina	Executive Vice President and Secretary
Michael E. Pack	Executive Vice President and Chief Financial Officer
James C. Freeders	Senior Vice President, Finance and Controller
Emma M. McTague	Senior Vice President and Chief Human Resources Officer
John S. Verich	Senior Vice President, Business Development and Treasurer
Derek R. Kritzer	Segment General Counsel
Franklin T. Moore	Vice President and General Manager, Jetway and Airport Services
Jeffrey A. Trelka	Vice President, Finance
Edward J. Schodrof	Vice President, Finance
Michael B. Witwer	Vice President, Tax
John P. Thompson	Vice President, Sales
Gary C. Walter	Vice President, Sales
Gary D. Barlow	Controller, Airport Services
Dennis R. Elwood	Director of Finance, Jetway
Pauline R. Kanouse	General Manager, Airport Services
Tyler T. Nguyen	Director of Finance, GSE
Kerry A. Dereszynski	Assistant Secretary
Jana C. Heft	Assistant Secretary
Suzanne M. Lippold	Assistant Secretary

FURTHER RESOLVED, that, subject to the \$50 million limit hereinabove contained, the officers listed above may designate for any bid proposal an authorized signer different from the officers listed below solely for the purpose of signing bid bonds, performance

bonds, Powers of Attorney or contracts related to the bid proposal wherein such person is so designated.

Dated: April 3, 2024

OSHKOSH CORPORATION

By: 

Ignacio A. Cortina
Executive Vice President, Chief Legal
Officer and Secretary

S:\OSK-Share\DEPT\LEGAL\EXECUTIVE\Subsidiary Minutes\Oshkosh AeroTech, LLC\Resolutions\Oshkosh AeroTech LLC Bid Bond April 3 2024.docx