



**BOARD OF COMMISSIONERS
of the
PORT OF PALM BEACH DISTRICT**

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE (3) DAYS PRIOR TO ANY PROCEEDING, CONTACT THIS OFFICE, ONE EAST 11TH STREET, SUITE 600, RIVIERA BEACH, FLORIDA 33404 – 6921 (561-842-4201).

**Regular Board Meeting
4:00 p.m.**

One East 11th Street – 6th Floor
Riviera Beach, Florida 33404-6921

- THIS MEETING IS OPEN TO THE PUBLIC -

Chair Blair J. Ciklin
Vice-Chair Jean L. Enright
Secretary/Treasurer Peyton W. McArthur
Commissioner Wayne M. Richards
Commissioner Katherine M. Waldron
Executive Director Manuel Almira
Port Attorney Gregory C. Picken

I. REGULAR BOARD MEETING

CIVILITY AND DECORUM: The Port of Palm Beach is committed to civility and decorum by its officials, employees and members of the public who attend this meeting.

Officials shall be recognized by the Chair and shall not interrupt a speaker.

Public comment shall be addressed to the Board of Commissioners as a whole and not to any individual on the dais or in the audience.

Displays of anger, rudeness, lack of respect, obscene or vulgar conduct shall not be permitted.

The audience is expected to be respectful of others when they are addressing the Board of Commissioners.

- A. Bahamas Paradise Cruise Line Second Operating Agreement Amendment Suspension Of Sailings**

ADD ON ITEM

Documents:

[SECOND OPERATING AGREEMENT.PDF](#)

**PORT OF PALM BEACH DISTRICT
REQUEST FOR DISCUSSION AND
COMMISSION ACTION**

**NEW BUSINESS
ITEM H-13
(ADD ON)**

PREPARED BY: Paul Zielinski Chief Financial Officer September 26, 2017

**SUBJECT: Bahamas Paradise Cruise Line
 Second Operating Agreement Amendment
 Suspension Of Sailings**

BACKGROUND: Bahamas Paradise Cruise Lines (BPCL) will be entering into an agreement with FEMA to reposition the Grand Celebration in the Caribbean to assist with the humanitarian relief effort to the victims of Hurricane Irma. They left the Port on September 20th and are scheduled to recommence normal passenger sailings from the Port of Palm Beach no later than December 23rd, 2017.

This effectively would result in the Port not receiving either passenger fees or parking receipts for approximately a three month period. As the cruise line is being compensated by FEMA for their business losses, the Port has negotiated with BPCL for a fee to assist in offsetting our lost revenue for this period; BPCL will pay the Port \$315,000 in three equal installments on the first day of October, November and December, 2017. Additionally, they have committed to invest a minimum of \$50,000 in improvements to the Cruising Experience during this period.

The Port has identified, and will implement, approximately \$150,000 in cost savings as a result of the suspension in sailings.

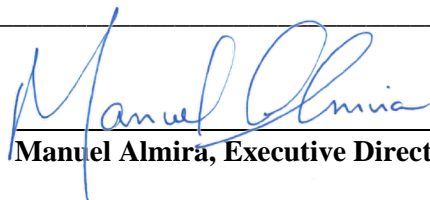
In turn, the Port will, during this three month period, waive all Minimum Performance Requirements per their current agreement so as to avoid any related contractual implications.

ADDITIONAL INFORMATION ATTACHED: No _____ Yes X

FINANCIAL IMPACT: Fee income and cost savings will approximate budgeted net income for the three month period.

RECOMMENDATION: The Board of Commissioners of the Port of Palm Beach District is respectfully requested to approve the BPCL Second Amendment authorize and the Port's Executive Director to execute on their behalf.

Respectfully Submitted By:



Manuel Almira, Executive Director

DATE ACTION TAKEN: _____

Approved: _____	Motion By: _____
Disapproved: _____	Seconded By: _____
Deferred To: _____	Unanimous: Yes _____ No _____
Incorporated into Minutes: _____	By: _____

**SECOND AMENDMENT
TO
OPERATING
AGREEMENT**

Now come **PORT OF PALM BEACH DISTRICT**, a political subdivision of the State of Florida, organized and existing under, and by virtue of, Chapter 7081, Laws of Florida, Acts of 1915, as amended (hereinafter referred to as "DISTRICT"), having its address at Sixth Floor, One East Eleventh Street, Riviera Beach, Florida and **PARADISE CRUISE LINE OPERATOR LTD., A BAHAMAS INTERNATIONAL BUSINESS COMPANY** (hereinafter referred to as "CRUISES"), having its address at c/o Oneil R. Khosa, 431 Fairway Drive, Suite 301, Deerfield Beach, FL 33441 and amend the Operating Agreement dated January 19, 2017 ("Operating Agreement"), and agree as follows:

WHEREAS, CRUISES has requested relief, for the period commencing September 20, 2017 through December 22, 2017 ("Relief Period"), from certain operating requirements under the Operating Agreement;

WHEREAS, DISTRICT agrees to grant such relief, but only upon the terms hereof;

In consideration of the mutual undertakings set forth herein, the parties agree as follows:

Section 1 Relief from Certain Obligations.

During the Relief Period, and provided the Required Payments are made as set forth herein, CRUISES shall be relieved of the Performance Minimums of Section 9 of the Operating Agreement.

The next Agreement Year shall commence January 1, 2018, provided that the Operating Agreement is not in default.

Section 2 Payments by CRUISES

CRUISES shall pay DISTRICT the sum of One Hundred and Five Thousand Dollars (\$105,000.00) (the "Required Payment"), on each of October 1, 2017, November 1, 2017 and December 1 2017 (the "Payment Due Dates").

DISTRICT shall have no obligation for Marketing Contributions with respect to any of the Required Payments or any monies paid by CRUISES with respect to the Relief Period. No amounts shall be due to CRUISES with respect to parking, tug assists or any other amount that might otherwise become due to CRUISES under the Operating Agreement with respect to the Relief Period. No marketing meetings or marketing reporting shall be required with respect to the Relief Period.

CRUISES shall not have the right to Priority Berthing or the benefit of the Priority Schedule during the Relief Period. Tariff shall apply to all operations by CRUISES at the Port of Palm Beach during the Relief Period.

There shall be no written notice requirement with respect to failure to make the Required Payment, and if payment is not received by the DISTRICT within five days following the Payment Due Date, or if CRUISES does not recommence sailings in accordance with the Operating Agreement on or before December 23, 2017, then, all unpaid Required Payments shall be immediately due and collectible and CRUISES shall be in default of the Operating Agreement without opportunity to cure, and DISTRICT shall have all rights and remedies for default under the Operating Agreement, including, without limitation, the Guaranty and the Security Deposit, provided, that exercise of said rights and remedies shall not require prior notice or opportunity to cure.

Section 3 Improvements to Cruise Terminal and/or Passenger Experience

During the Relief Period, CRUISE shall commence and complete improvements to the Cruise Terminal, which must be approved by the District, and/or cruise passenger processing enhancements having verified cost of not less than \$50,000.

Section 4 Ratification

All of the terms, covenants and conditions set forth in the Operating Agreement shall continue in full force and effect, except to the extent modified by this Amendment.

IN WITNESS WHEREOF, DISTRICT and CRUISES have caused this Amendment to be executed as required by law on the dates listed below:

WITNESSES:

Printed Name of Witness: _____

Printed Name of Witness: _____

Printed Name of Witness: _____

Printed Name of Witness: _____

DISTRICT:
PORT OF PALM BEACH DISTRICT

BY _____

CRUISES:
**PARADISE CRUISE LINE
OPERATOR LTD., A BAHAMAS
INTERNATIONAL BUSINESS COMPANY**

BY _____