



# Broward County

## Legislation Text

File #: 21-1691, Version: 1

### **Broward County Commission Regular Meeting**

**Director's Name:** Jonathan Daniels

**Department:** Port Everglades

**Division:** Business Administration

### Information

#### Requested Action

MOTION TO ADOPT Resolution No. 2021-499 of the Board of County Commissioners of Broward County, Florida, granting renewal of a nonexclusive franchise to Hirsch Stevedoring, LLC, for a ten-year term to provide cargo handler services at Port Everglades; providing for franchise terms and conditions; and providing for severability and an effective date.

#### Why Action is Necessary

Pursuant to Section 32.22 of the Broward County Administrative Code ("Administrative Code"), Broward County (the "County") must hold a public hearing prior to granting, renewing, placing on probation, suspending, or revoking a franchise.

#### What Action Accomplishes

Grants renewal of a nonexclusive franchise to Hirsch Stevedoring, LLC, for a ten-year term to provide cargo handler services at Port Everglades.

#### Is this Action Goal Related

Yes

#### Previous Action Taken

Request to set Public Hearing was approved by the Broward County Board of County Commissioners on October 5, 2021 (Item No. 9).

#### Summary Explanation/Background

THE PORT EVERGLADES DEPARTMENT RECOMMENDS APPROVAL.

This action supports the Broward County Board of County Commissioners' ("Board") Value of "Ensuring economic opportunities for Broward's diverse population and businesses" and the Goal to "Increase the economic strength and impact of revenue-generating County enterprises balancing economic, environmental, and community needs."

On December 1, 2020 (Item No. 68), the Board granted a new nonexclusive restricted franchise to Hirsch Stevedoring, LLC ("Hirsch"), for a one-year term to provide cargo handler services at Port Everglades, restricted to "New Business" as defined in Section 32.16.b.10 of the Broward County Administrative Code. Hirsch has applied for renewal of the franchise and requested removal of the restriction. The company has also applied for renewal of its stevedore franchise, which is the subject

of a separate agenda item.

Staff reviewed the cargo handler franchise renewal application against the enumerated renewal criteria outlined in Chapter 32 of the Administrative Code. Staff's due diligence included, among other things: (a) corresponding with Hirsch's representative to clarify franchise requirements; (b) reviewing Hirsch's corporate status, resumes of executive staff, list of managerial personnel, business history/experience, litigation history, insurance certificate(s), financial documents and creditworthiness, discharge of previous financial obligations to the County, compliance with all franchise terms and conditions and established rules and regulations of the County, required licenses and certificates, company programs and policies, list of equipment to be used at Port Everglades, statement of activities and actions indicating that Hirsch has maintained a favorable service performance record in Port Everglades during the term of its prior franchise agreement; and (c) ensuring that Hirsch has promoted and developed growth in the business activities, projects, or facilities of Port Everglades. Staff also reviewed Hirsch's safety and environmental history and did not find any infractions.

Since the new franchise was approved by the Board, Hirsch has handled 19,432 tons of "New Business" cargo, as defined above, not previously being moved through Port Everglades, resulting in \$252,202 in additional revenue for the Port. The cargo handled included automobiles, lumber, steel, palletized cement, and marble to and from the Bahamas and Europe.

By submitting the signed franchise renewal application, Hirsch has agreed to comply with all franchise conditions outlined in Section 32.24 of the Administrative Code.

Based on the review of information provided in the franchise renewal application, staff recommends renewing the cargo handler franchise. Per Section 32.16 of the Administrative Code, the County may grant cargo handler franchises for any period of up to ten years. Past Board practice has been to approve a restricted cargo handler franchise for an initial term of one year, and each subsequent renewal for a term up to ten years without the restrictions included in the initial one-year franchise. Accordingly, staff is recommending that the franchise be renewed for a ten-year term without the previously imposed restriction.

The complete application and supporting documents are on file in the Port Everglades Business Administration Division.

The Resolution to Publish Notice of Public Hearing and Notice of Public Hearing from the Request to Set Public Hearing agenda item approved by the Board on October 5, 2021 (Item No. 9), are attached as Exhibit 3 and Exhibit 4.

### **Source of Additional Information**

Jorge Hernández, Director, Business Administration Division, Port Everglades Department, (954) 468-3501

Angela Osorno Belleme, Franchise Manager, Business Administration Division, Port Everglades Department, (954) 468-0112

**Fiscal Impact**

**Fiscal Impact/Cost Summary**

Hirsch has paid the required annual fee of \$4,000 and will pay an additional \$36,000 in annual franchise fees over the term of the franchise, for a total of \$40,000.