



Broward County

Legislation Text

File #: 22-1409, Version: 1

Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Finance

Information

Requested Action

MOTION TO ADOPT Resolution amending the Broward County Administrative Code, the title of which is as follows:

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, PERTAINING TO RATES, FEES, AND CHARGES AT FORT LAUDERDALE HOLLYWOOD INTERNATIONAL AIRPORT; AMENDING SECTION 39.2 AND EXHIBIT 39.A OF THE BROWARD COUNTY ADMINISTRATIVE CODE ("ADMINISTRATIVE CODE") TO REFLECT CHANGES TO RATES, FEES, AND CHARGES; AND PROVIDING FOR SEVERABILITY, INCLUSION IN THE ADMINISTRATIVE CODE, AND AN EFFECTIVE DATE.

Why Action is Necessary

A Resolution directing the County Administrator to publish Notice of Public Hearing to consider adoption of the Resolution amending the Broward County Administrative Code ("Administrative Code") was adopted by the Broward County Board of County Commissioners ("Board") at its meeting of September 8, 2022.

What Action Accomplishes

Allows for the Board's consideration of the Resolution amending the Administrative Code.

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THIS MOTION.

The Broward County Aviation Department ("BCAD") is requesting adoption of a proposed Resolution amending Chapter 39, of the Broward County Administrative Code, specifically, amending Section 39.2, "Rates, Fees and Charges-Fort Lauderdale-Hollywood International Airport," and amending Exhibit 39.A, "Broward County Aviation Department" to update airport rates, fees and charges.

In accordance with the Airline-Airport Lease and Use Agreement (“Agreement”), terminal rental rates, facility usage fees and landing fees are to be reviewed and adjusted at the beginning of each Fiscal Year. The contractual rate making formulas that are defined in the Agreement are based on a residual making methodology that requires rates to be set at a level that ensures expenditures are adequately covered. This methodology uses BCAD’s budgeted revenues, expenses, debt service, and certain capital outlays to calculate rental rates, facility usage fees and landing fees.

BCAD presented the Fiscal Year 2023 budget to the Board during a workshop that was held on August 18, 2022. BCAD also presented and reviewed the proposed Fiscal Year 2023 operating budget and changes to rates and charges with the Airline-Airport Affairs Committee on May 26, 2022.

Based on amended rates, the overall Cost per Enplaned Passenger (“CPE”) is projected to be \$8.99 in Fiscal Year 2023. The budgeted CPE for Fiscal Year 2022 is \$7.99. The increase from Fiscal Year 2022 to Fiscal Year 2023 is primarily due to decreased passenger activity, as airlines reduce the number of flights due to continued staffing issues and recover from the effects of the COVID-19 pandemic.

Source of Additional Information

Mark E. Gale, CEO/Director of Aviation, (954) 359-6199

Fiscal Impact

Fiscal Impact/Cost Summary

Revenues from Chapter 39 rates and charges are estimated to be approximately \$153 million in Fiscal Year 2023.