



Broward County

Legislation Details (With Text)

File #: 21-1295 **Version:** 1

Status: Agenda Ready

In control: AVIATION DEPARTMENT

On agenda: 8/24/2021 **Final action:** 8/24/2021

Title: MOTION TO APPROVE First Amendment to the Cargo Building Lease Agreement between Broward County and Southwest Airlines, Co. for 12,500 square feet of air cargo building space at Broward County's Fort Lauderdale-Hollywood International Airport; and authorize Mayor and Clerk to execute same.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1 - Amendment

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Business

Information

Requested Action

MOTION TO APPROVE First Amendment to the Cargo Building Lease Agreement between Broward County and Southwest Airlines, Co. for 12,500 square feet of air cargo building space at Broward County's Fort Lauderdale-Hollywood International Airport; and authorize Mayor and Clerk to execute same.

Why Action is Necessary

Chapter 2, Section 2-40 (a) of the Broward County Code of Ordinances, requires that Broward County Board of County Commissioners ("Board") authorize any commercial activities or occupancy of any portion of the airport for any purpose unless specifically authorized by the County.

What Action Accomplishes

The proposed action allows Southwest Airlines Co. ("Southwest") to continue to operate its air cargo handling operation at Broward County's Fort Lauderdale-Hollywood International Airport ("FLL").

Is this Action Goal Related

No

Previous Action Taken

None

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTION.

On June 21, 2005 (Item 3.C), the Board approved the cargo building lease between Broward County ("County") and Southwest to allow the airline to occupy 5,000 square feet of the County owned cargo building at FLL, in order to conduct its air cargo operations for a term of five years, effective on Board approval and terminating on the last day of the fifth lease year, June 30, 2010.

On December 7, 2010 (Item 2.B), the Board approved Amendment No. 1 to the cargo building lease between the County and Southwest to extend the term for an additional five years, terminating on June 30, 2015.

On September 15, 2016 (Item 3), the Board approved a Cargo Building Lease Agreement ("Agreement") providing Southwest the use of a total of 12,500 square feet in the County owned cargo building facility, specifically bay 3 measuring 2,500 square feet and bay 4 measuring approximately 10,000 square feet. The term was for five years commencing on Board approval and terminating on the last day of the fifth lease year, September 30, 2021. The rent is adjusted annually by the greater of three percent (3%) or the consumer price index.

This proposed First Amendment extends the term of the Agreement by five years, increases the amount of days for either party to provide prior written notice to the other party to terminate the Agreement adds verification of employment eligibility and prohibited telecommunications equipment sections to the Agreement, and updates the nondiscrimination requirements.

This item has been reviewed and approved as to form by the Office of the County Attorney.

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

The current monthly rent is \$3,564 for Bay 3 and \$14,256 for Bay 4. The rent is adjusted annually by the greater of three percent (3%) or the consumer price index.