



Broward County

Legislation Text

File #: 21-941, Version: 1

Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Business

Information

Requested Action

MOTION TO APPROVE Pipeline License Agreement between Broward County and Aircraft Services International, Inc. d/b/a Menzies Aviation for the operation and maintenance of a jet fuel pipeline 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 the Broward County Board of County Commissioners ("Board") authorize commercial activities or occupancy of any portion of the airport unless specifically authorized by the County.

What Action Accomplishes

Allows Aircraft Services International, Inc. ("ASII") d/b/a Menzies Aviation ("Menzies") to continue to maintain and operate an underground jet fuel pipeline, commonly referred to as the Beeline Pipeline ("Beeline") on Broward County ("County") owned property at 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.

This action allows Menzies to continue to maintain and operate the Beeline at FLL.

The Beeline runs from Port Everglades to FLL transporting jet fuel. The proposed Pipeline License Agreement licenses the portion of the Beeline that is located at FLL. The portion of the Beeline that is located at Port Everglades is subject to a separate license agreement between the County and Citgo Petroleum Corporation ("Port Everglades License Agreement") and has a termination date of November 6, 2027. Citgo, pursuant to an agreement with Menzies, maintains the Beeline from Port Everglades to FLL.

On June 15, 1976, the Board approved a non-exclusive license agreement to permit ASII to construct and maintain the Beeline over, along, under and across the road and property owned by the County. The term of the license was to run concurrent with the May 2, 1972 ASII fuel farm lease, effective June 1, 1976 and terminating on March 31, 1992.

On June 27, 1989 (Item No. 3), the Board approved a license between County and ASII for the use of 11,560 square feet of Airport property for the existing and extended Beeline Pipeline commencing on June 1, 1989 and terminating on May 31, 1992.

On September 22, 1992 (Item No. 11), the Board approved a Pipeline License Agreement between County and ASII for use of 11,560 square feet of Airport property for the Beeline Pipeline commencing on June 1, 1992 and terminating on May 31, 1997.

On May 21, 2002 (Item No. 4), the Board approved a Pipeline License Agreement with ASII for the Beeline at FLL, effective June 1, 2002 and terminating on May 31, 2007.

On May 22, 2007 (Item No. 5), the Board approved a Pipeline License Agreement with ASII for the Beeline at FLL, effective June 1, 2007 and terminating on May 31, 2012.

Since June 1, 2012, ASII has continued to make license payments to the County for the Beeline in a holdover status while the parties negotiated a new license agreement.

The term of the proposed Pipeline License Agreement as part of this action commences upon execution by the parties and terminates concurrently with the Port Everglades License Agreement on November 6, 2027. In the event the Port Everglades License Agreement is terminated or expires at any time during the term of this Agreement, then either the County, acting through the Director of Aviation, or Menzies shall have the right to terminate this Agreement by written notice.

The license fee for the first (1st) license year is \$26,775 annually plus applicable taxes and will be adjusted annually by the greater of 3% or the Consumer Price Index (CPI).

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 license fee is \$26,775 annually plus applicable taxes. The license fee will be adjusted annually by the greater of 3% or CPI.