



Broward County

Legislation Text

File #: 20-051, Version: 1

Broward County Commission Regular Meeting

Director's Name: Glenn Wiltshire (Acting Director)

Department: Port Everglades

Division: Director's Office

Information

Requested Action

MOTION TO APPROVE ten-year nonexclusive License Agreement between Broward County and Florida Gas Transmission Company, LLC, for Natural Gas Pipelines at Port Everglades, with a term beginning retroactively on March 23, 2020, and ending at 11:59 p.m. on March 22, 2030; and authorize the Mayor and Clerk to execute same.

Why Action is Necessary

Broward County Board of County Commissioners approval is required.

What Action Accomplishes

Approves a new ten-year nonexclusive License Agreement to replace the existing ten-year nonexclusive License Agreement between Florida Gas Transmission Company, LLC, and Broward County that expired on March 22, 2020.

Is this Action Goal Related

Yes

Previous Action Taken

None.

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."

Florida Gas Transmission Company, LLC ("FGT"), operates a federally regulated interstate natural gas pipeline system transporting natural gas produced in the U.S. Gulf Coast to Florida markets. A branch of the pipeline system, a segment of which traverses County-owned lands within Port Everglades, provides natural gas to Florida Power & Light's Next Generation Clean Energy Center power generation plant located on private property within the Port Everglades Jurisdictional Area. This segment of the pipeline has been in operation for over 50 years.

On March 23, 2010 (Item No. 17), the Board approved a ten-year, nonexclusive License Agreement with FGT, which expired on March 22, 2020. Approval of the new, nonexclusive License Agreement would replace the now expired previous License Agreement, and would extend the relationship for another ten years, consistent with existing pipeline license agreements in place at Port Everglades. Under the terms of the new ten-year License Agreement, FGT agrees to pay Broward County an annual fee of \$31,466 the first year, with annual increases thereafter based upon the greater of 3% per year or CPI.

Retroactive approval is required since changes in FGT staff delayed their review of the License Agreement and the preparation of a revised survey and sketch of the area covered by the License Agreement.

The License Agreement has been reviewed by the Port Everglades Risk Manager and approved as to form by the Office of the County Attorney. The License Agreement is pending final execution by FGT, and receipt of signature pages will be noted in the Monday Night Memo prior to the Commission meeting.

Source of Additional Information

Glenn A. Wiltshire, Acting Port Director, Port Everglades Department, (954) 468-3504

Neil J. Kutchera, Assistant Port Director, Petroleum, Port Everglades Department, (954) 468-3520

Fiscal Impact

Fiscal Impact/Cost Summary

The County will receive \$31,466 the first year, with annual increases thereafter based upon the greater of 3% per year or CPI, for a minimum of \$360,720 over the ten-year term of the License Agreement.