



Broward County

Legislation Text

File #: 20-1843, Version: 1

Broward County Commission Regular Meeting

Director's Name: Jonathan Daniels

Department: Port Everglades

Division: Director's Office

Information

Requested Action

MOTION TO APPROVE ten-year License Agreement between Broward County and Everglades Pipe Line Company, L.P., for Bulk Petroleum Product Pipelines at Port Everglades, with a term commencing on December 7, 2020, and continuing for a period of ten years thereafter; and authorize the Mayor and Clerk to execute same.

Why Action is Necessary

License Agreements with a term that exceeds one year require approval by the Broward County Board of County Commissioners.

What Action Accomplishes

Approves a new License Agreement that replaces the existing ten-year license agreement between Everglades Pipe Line Company, L.P., and Broward County expiring on December 6, 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."

Everglades Pipe Line Company, L.P. ("EVERGLADES"), owns and operates a federally regulated, common carrier, jet fuel pipeline. The pipeline, which originates in Port Everglades and connects to Fort Lauderdale-Hollywood International Airport (FLL) and Miami International Airport (MIA), has operated for over sixty years subject to a series of agreements with the Port Everglades Authority and subsequently Broward County pertaining to those sections of the jet fuel pipeline located on land within the Port Jurisdictional Area.

The new nonexclusive License Agreement will replace the existing agreement expiring on December 6, 2020, and will allow EVERGLADES to continue to install, maintain, operate, repair, replace, and remove the pipeline(s) on County-owned land for another ten years, consistent with other pipeline license agreements in place at Port Everglades. Under the terms of the License Agreement, EVERGLADES will pay Broward County an annual license fee of \$28,846, with annual increases based upon the greater of either 3% or the Consumer Price Index ("CPI").

This 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 EVERGLADES, and receipt of signature pages will be noted in the Monday Night Memo, prior to the Board meeting.

Source of Additional Information

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

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

Fiscal Impact

Fiscal Impact/Cost Summary

The County will receive \$28,846 the first year with annual increases thereafter based upon the greater of either 3% per year or the CPI, for a minimum of \$330,690 over the ten-year term of the license.