



Broward County

Legislation Text

File #: 21-1414, Version: 1

Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Finance

Information

Requested Action

MOTION TO ADOPT Resolution No. 2021-411 directing the County Administrator to publish Notice of Public Hearing to be held on Tuesday, September 21, 2021, at 10:00 a.m., in Room 422 of the Governmental Center to consider adoption of a proposed 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 BROWARD COUNTY'S 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

The Broward County Charter requires the posting of notice and a public hearing for adoption of amendments to the Broward County Administrative Code ("Administrative Code").

What Action Accomplishes

Enables the setting of a public hearing during which the Board may consider adopting a resolution to amend Chapter 39 of the Administrative Code to update the rates, fees, and charges in accordance with the Airline-Airport Lease and Use Agreement.

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTION.

The Broward County Aviation Department ("BCAD") is requesting adoption of a Resolution directing the County Administrator to publish a Notice of Public Hearing to be held on Tuesday, September 21, 2021, at 10:00 a.m., to consider adoption of a proposed Resolution Amending Chapter 39 of the Administrative Code, specifically, Section 39.2, "Rates, Fees, and Charges-Fort Lauderdale-Hollywood International Airport," and Exhibit 39.A, "Broward County Aviation Department."

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 rate making methodology. 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 2022 budget to the Broward County Board of County Commissioners during a workshop that was held on August 19, 2021. BCAD also presented and reviewed the proposed Fiscal Year 2022 operating budget and changes to rates and charges with the Airline-Airport Affairs Committee on June 3, 2021.

Based on the amended rates, the average airline Cost per Enplaned Passenger (“CPE”) is projected to be \$7.99 in Fiscal Year 2022. The budgeted CPE for Fiscal Year 2021 is \$11.53. The decrease from Fiscal Year 2021 to Fiscal Year 2022 is primarily due to increased passenger activity as the aviation industry, led by increased domestic leisure travel, slowly recovers from the effects of the COVID-19 pandemic.

The proposed charges will be effective October 1, 2021.

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

Revenues from the Chapter 39 rates and charges are estimated to be approximately \$148 million for Fiscal Year 2022.