



# Broward County

## Legislation Text

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File #: 21-1464, Version: 1

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### **Broward County Commission Regular Meeting**

**Director's Name:** Mark Gale

**Department:** Aviation

**Division:** Finance

### **Information**

#### **Requested Action**

**MOTION TO ADOPT** Resolution No. 2021-463 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 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**

A Resolution directing the County Administrator to publish notice of public hearing to consider adoption of the Resolution amending the Broward County Administrative Code ("Administrative Code") was adopted by the Broward County Board of County Commissioners ("Board") at its meeting on September 9, 2021.

#### **What Action Accomplishes**

Provides for adoption of a Resolution to amend Chapter 39 of the Administrative Code to update 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.

This action will provide for adoption of a Resolution amending Chapter 39 of the Administrative Code Section 39.2, "Rates, Fees, and Charges-Fort Lauderdale-Hollywood International Airport," and Exhibit 39.A, "Broward County Aviation Department", to update the rates, fees and charges.

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, which requires rates to be set at a level that assures expenditures are adequately covered. 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 Board 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 Airlines-Airport Affairs Committee on June 3, 2021.

Based on the amended rates, the Cost per Enplaned Passenger ("CPE") is projected to be \$7.99 in Fiscal Year 2022. The budgeted CPE for Fiscal Year ("FY") 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.

#### **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 in Fiscal Year 2022.