



Broward County

Legislation Text

File #: 22-638, Version: 1

Broward County Commission Regular Meeting

Director's Name: Jonathan Daniels

Department: Port Everglades

Division: Business Development

Information

Requested Action

MOTION TO ADOPT Resolution of the Board of County Commissioners of Broward County, Florida, granting renewal of a nonexclusive franchise to Port Contractors - Southeast, LLC, for a ten-year term to provide cargo handler services at Port Everglades; providing for franchise terms and conditions; and providing for severability and an effective date.

Why Action is Necessary

Pursuant to Section 32.22 of the Broward County Administrative Code ("Administrative Code"), Broward County (the "County") must hold a public hearing prior to granting, renewing, placing on probation, suspending, or revoking a franchise.

What Action Accomplishes

Grants the renewal of a nonexclusive franchise to Port Contractors - Southeast, LLC, for a ten-year term to provide cargo handler services at Port Everglades.

Is this Action Goal Related

Yes

Previous Action Taken

Request to set Public Hearing was approved by the Broward County Board of County Commissioners on April 26, 2022 (Item No. 16).

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."

Port Contractors - Southeast, LLC ("Port Contractors"), has been providing cargo handler services at Port Everglades under a series of approved franchise agreements since 2011. On May 8, 2012 (Item No. 5-PH), the Board granted renewal of a nonexclusive franchise to Port Contractors to provide cargo handler services at Port Everglades for a ten-year term, from August 30, 2012, through August 29, 2022. Port Contractors has applied for renewal of the franchise. Port Contractors has also applied for renewal of the company's steamship agent and stevedore services franchises that are the subject

of separate agenda items.

Staff reviewed the cargo handler franchise renewal application against the enumerated renewal criteria outlined in Chapter 32 of the Administrative Code. Staff's due diligence included, among other things: (a) corresponding with Port Contractors' representative to clarify franchise requirements; (b) reviewing Port Contractors' corporate status, resumes of executive staff, list of managerial personnel, business history/experience, litigation history, insurance certificate(s), financial documents and creditworthiness, discharge of previous financial obligations to the County, compliance with all franchise terms and conditions and established rules and regulations of the County, required licenses and certificates, company programs and policies, list of equipment to be used at Port Everglades, statement of activities and actions indicating that Port Contractors has maintained a favorable service performance record in Port Everglades during the term of its prior franchise agreements; and (c) ensuring that Port Contractors has promoted and developed growth in the business activities, projects, or facilities of Port Everglades. Port Contractors reported a change in ownership after being acquired by PCI Operations Holding LLC in connection with the acquisition of the Port Contractors organization by Enstructure in November 2021, but continues to operate as a separate entity. Staff also reviewed Port Contractors' safety and environmental history and did not find any infractions.

Port Contractors has agreed to comply with all franchise conditions outlined in Section 32.24 of the Administrative Code by submitting the signed franchise application.

Based on the review of information provided in the franchise renewal application, staff recommends renewing the cargo handler franchise. Per Section 32.16 of the Administrative Code, the County may grant cargo handler franchises for up to ten years. Therefore, consistent with past practice, staff recommends renewing the franchise for a ten-year term.

The complete application and supporting documents are on file in the Port Everglades Business Development Division's office.

The Resolution to Publish Notice of Public Hearing and Notice of Public Hearing from the Request to Set Public Hearing agenda item approved by the Board on April 26, 2022 (Item No. 16), are attached as Exhibit 3 and Exhibit 4.

Source of Additional Information

Jorge Hernández, Director, Business Development Division, Port Everglades Department, (954) 468-3501

Angela Osorno-Belleme, Franchises and Business Permit Manager, Business Development Division, Port Everglades Department, (954) 468-0112

Fiscal Impact

Fiscal Impact/Cost Summary

Port Contractors has paid the required annual fee of \$4,000 and will pay an additional \$36,000 in annual franchise fees over the term of the franchise, for a total of \$40,000.