



Broward County

Legislation Text

File #: 24-241, Version: 1

Broward County Commission Regular Meeting

Director's Name: Glenn Wiltshire (Acting Director)

Department: Port Everglades

Division: Business Development

Information

Requested Action

MOTION TO ADOPT Resolution of the Board of County Commissioners of Broward County, Florida, granting a nonexclusive, unrestricted Port Everglades vessel bunkering services franchise to JAX LNG, LLC, for a one-year term; providing for franchise terms and conditions.

Why Action is Necessary

Pursuant to Section 32.22 of the Broward County Administrative Code ("Administrative Code") and the applicable provisions of Chapter 94-429, Laws of Florida, Broward County (the "County") must hold a public hearing prior to granting, renewing, placing on probation, suspending, or revoking a franchise.

What Action Accomplishes

Allows for the Broward County Board of County Commissioners' consideration of the Resolution granting a nonexclusive, unrestricted Port Everglades vessel bunkering services franchise to JAX LNG, LLC, for a one-year term.

Goal Related Icon(s)

- ☒ County Commission
- ☐ Go Green
- ☐ MAP Broward

Previous Action Taken

Request to Set Public Hearing was approved by the Board on February 20, 2024 (Item No. 22).

Summary Explanation/Background

THE PORT EVERGLADES DEPARTMENT RECOMMENDS APPROVAL.

This action supports the Broward County Board of County Commissioners' ("Board") Value of "Building partnerships and working collaboratively with others to meet shared objectives," and the Goal of "Ensuring economic opportunities and a sustainable economy, with an emphasis on Broward's lower and middle class."

JAX LNG, LLC was established in 2014 with the aim of supplying liquified natural gas ("LNG") to customers in Florida and Puerto Rico. The company was legally formed under the laws of the state of Delaware and is currently in good standing and of legal existence since January 9, 2015. Moreover, it is registered to conduct business in Florida, as of January 20, 2015. JAX LNG, LLC has applied for a

new nonexclusive, unrestricted vessel bunkering services franchise.

JAX LNG, LLC provides bunkering services for ships that use liquified natural gas as fuel. Their current operations using a specially designed barge for LNG transfers are in Jacksonville and Port Canaveral. With the scheduled arrival of cruise ships this year at Port Everglades that use LNG as fuel and the anticipated arrival of cargo ships using LNG as fuel in 2025, JAX LNG, LLC has applied for a franchise to be able to provide that service.

Staff reviewed the vessel bunkering services franchise application against the enumerated criteria outlined in Chapter 32 of the Administrative Code. Staff's due diligence included, among other things: (a) corresponding with JAX LNG, LLC's representative to clarify franchise requirements and (b) reviewing JAX LNG, LLC's 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. Staff also reviewed JAX LNG, LLC's safety and environmental history and found no infractions.

By submitting the signed franchise application, JAX LNG, LLC has agreed to comply with all franchise conditions outlined in Section 32.24 of the Administrative Code.

Based on the review of information provided in the franchise application, staff recommends granting the vessel bunkering services franchise. Per Section 32.20 of the Administrative Code, the County may grant vessel bunkering services franchises for up to five years. Past practice has been for staff to recommend granting first-time applicants for a nonexclusive vessel bunkering service franchise a one-year franchise. Consistent with past practice, staff recommends granting the franchise for a one-year term.

The Resolution to Publish Notice of Public Hearing and the signed franchise application documents were attached to the Request to Set Public Hearing Agenda Item that the Board approved on February 20, 2024 (Item No. 22).

Source of Additional Information

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

Paula Serpa, Franchise and Business Permit Manager, Business Development Division, Port Everglades Department, (954) 468-0185.

Fiscal Impact

Fiscal Impact/Cost Summary

JAX LNG, LLC has paid the required application fee of \$4,200 and an annual fee of \$2,360, for a total of \$6,560 for the proposed one-year term.