

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: April 21, 2009 ☐ Consent ☒ Regular
☐ Workshop ☐ Public Hearing

Department:

Submitted By: Department of Airports

Submitted For:

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) Discontinue regular operation of the Park and Ride lot at Palm Beach International Airport (PBIA); allowing temporary re-opening for overflow parking;
- B) Discount the Long Term parking rate, decreasing the daily maximum rate after five days continuous parking from \$12 to \$9; and
- C) Increase the Park and Ride daily maximum rate from \$6 to \$9 for overflow parking.

Summary: The Department of Airports completed construction of a second Long Term parking garage in 2008, adding 3,000 parking spaces adjacent to the terminal. Construction of the second garage restores "close in" terminal parking convenience to the passenger and eliminates the need to operate the Park and Ride shuttle lot. Closing Park and Ride will save \$700,000 per year, primarily in shuttle bus fuel and operating costs. Eliminating shuttle operations will also reduce traffic congestion, carbon emissions, fuel consumption, and customer complaints. Former Park and Ride customers will likely use Long Term parking, therefore, the Department is recommending a discount rate: day one through five will remain at \$12 per day; day six and thereafter will reduce to \$9 per day. The Department estimates annual parking revenues will increase by \$815,000 due to the proposed changes, subject to customer demand. Lastly, Staff is recommending that the Park and Ride daily maximum rate be changed to \$9 per day if the lot is needed for overflow. A review of other Florida airport parking rates shows that PBIA's Park and Ride rate is below market.

On February 25, 2009, the Aviation and Airports Advisory Board voted 7-2 to discontinue regular operations of the Park and Ride lot, except for overflow. The dissenting voters voiced a need for a middle ground for parking rates. Subsequent to that meeting, staff developed the plan to decrease the Long Term rate after day five from \$12 to \$9.

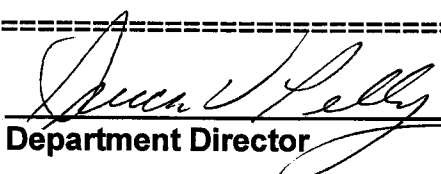
Due to airline and economic conditions, Department operating revenues have declined \$5.7 million since 2007; debt service costs have increased due to parking garage construction, therefore, the parking recommendations would be implemented immediately upon Board approval. The Department operates as an enterprise fund, which requires all costs to be supported by Airport revenues. General County funds do not pay, finance, or pledge any Airport costs or debt. **COUNTYWIDE (JMB)**

Background and Justification:

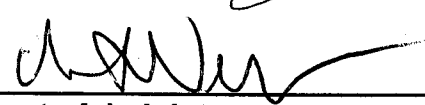
(BACKGROUND & JUSTIFICATION CONTINUED ON PAGE 3)

Attachments: None

Recommended By:

 3/24/09
JMB Department Director Date

Approved By:

 4/7/09
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| FISCAL YEARS | 2009 | 2010 | 2011 | 2012 | 2013 |
|--|-----------|-------------|-------------|-------------|-------------|
| Capital Expenditures | | | | | |
| Operating Costs | (175,000) | (700,000) | (700,000) | (700,000) | (700,000) |
| Operating Revenues | (204,000) | (815,000) | (815,000) | (815,000) | (815,000) |
| Program Income (County) | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | (379,000) | (1,515,000) | (1,515,000) | (1,515,000) | (1,515,000) |
| # ADDITIONAL FTE POSITIONS (Cumulative) | | | | | |

| | | | |
|--|------------|-----------|----------|
| Is Item Included In Current Budget? | Yes | No | X |
|--|------------|-----------|----------|

| | | | | | | | | |
|----------------------------|-------------|--------------------|-------------------|-------------------|-------------|-------------------------|----------------------------|-------------------------|
| Budget Account No.: | Fund | <u>4100</u> | Department | <u>120</u> | Unit | <u>1340/8340</u> | Object/ Rsource | <u>3401/4467</u> |
| Reporting Category | | | | | | | | |

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Savings from the discontinued operations are annualized at \$700,000; temporary shuttle bus operations during the holiday season could reduce the savings by 10%. Additional revenue of \$815,000 per year is estimated assuming a percentage of Park and Ride customers migrate to the Long Term lot, and the new discounted rate (\$9 after 5 days) is approved. Actual revenues may vary considerably, depending on user demand.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:


 3-26-09
 OFMB
 CN 3/26/09

An J. Law 3/31/09
Contract Dev. and Control
E Done 3/31/09.

B. Legal Sufficiency:

James Brubaker 4/26/09
Assistant County Attorney

C. Other Department Review:

Department Director

Background and Justification: (continued)

PBIA passengers will have several options for parking including Premium, Short Term, Long Term, and the Cell Phone waiting lot which is a free lot designed for passenger pick up. Current daily maximum parking rates at PBIA and comparable Florida Airports are:

| | SHORT TERM | LONG TERM | Shuttle |
|----------------|-----------------------|----------------------|----------------|
| PBI | \$ 16 | \$ 12 | \$ 6 |
| FT. LAUDERDALE | 36 | 15 | 9 |
| ORLANDO | 17 | 17 | 10 |
| MIAMI | 30 | 15 | 8 |
| TAMPA | 20 | 15 | 9 |
| JACKSONVILLE | 16 | 12 | 6 |
| FT. MYERS | 18 | n/a | 10 |