

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: March 12, 2013

Consent **Regular**
 Ordinance **Public Hearing**

Department:

Submitted By: Department of Airports

Submitted For: Department of Airports

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a Resolution amending Resolution R-2005-0457 to increase aircraft apron fee rates at the Palm Beach International Airport (PBIA); providing for severability; and providing for an effective date.

Summary: Fixed base operators at PBIA currently pay \$0.03 per gallon of aviation fuel sold for the right to use aircraft parking apron owned and developed by the County. The fee was established in 2005 pursuant to Resolution R-2005-0457 and has not been increased since that time. Staff has conducted an analysis of rates charged by other Florida airports for use of improved apron areas and has determined that the current rate is below market and should be adjusted. After meeting with the fixed base operators at PBIA, staff is recommending increasing the fee over a four-year period. The first increase of \$0.02 per gallon will occur on January 1, 2014. Subsequent increases of \$0.02 per gallon will occur on each October 1st thereafter until the fee reaches \$0.13 per gallon. Staff's recommendation was reviewed and unanimously approved by the Aviation and Airports Advisory Board at its January 16, 2013 meeting. Countywide (AH)

Background and Justification: On March 1, 2005, the Board adopted Resolution R-2005-0457, which adopted an aircraft apron fee of \$0.03 per gallon of aviation sold for the right to use aircraft apron. Prior to adoption of the aircraft apron fee, the County received 50% of the revenues collected from aircraft parking fees. The current aircraft apron fee equates to approximately \$0.20 per square foot based on average fuel sales of approximately 15,000,000 gallons of fuel annually between fiscal years 2009-2012, which is below market based on a comparison of other Florida airports. Increasing the fee will enable the County to collect market rates for use of the aircraft parking apron areas at PBIA.

Attachments:

1. Resolution



Recommended By: _____ **2/6/13**
Department Director Date



Approved By:  _____ **2/19/13**
County/Deputy/Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Capital Expenditures	_____	_____	_____	_____	_____
Rent Credit	_____	_____	_____	_____	_____
External Revenues	_____	<u>(\$225,000)</u>	<u>(\$600,000)</u>	<u>(\$900,000)</u>	<u>(\$1,200,000)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	_____	_____	_____	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	<u>(\$225,000)</u>	<u>(\$600,000)</u>	<u>(\$900,000)</u>	<u>(\$1,200,000)</u>

Is Item Included In Current Budget? Yes _____ No X
 Budget Account No.: Fund 4100 Department 120 Unit 8320 RSource 4480
 Reporting Category _____

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

Revenues to the County will be based upon fuel sales. The analysis above assumes fuel sales of 15,000,000 gallons per year. The first increase will occur on January 2014. Subsequent increases will occur on October 1st of each year, including October 1, 2014.

C. Departmental Fiscal Review: M. Summer

III. REVIEW COMMENTS

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

N. [Signature] 2/18/2013 [Signature] 2/11/13
 OFMB Contract Dev. and Control
 2/11/13 2/12-13

B. Legal Sufficiency:

Anne [Signature] 2-20-13
 Assistant County Attorney

C. Other Department Review:

 Department Director

RESOLUTION NO. 2013-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; AMENDING RESOLUTION R-2005-0457 TO INCREASE AIRCRAFT APRON FEE RATES AT THE PALM BEACH INTERNATIONAL AIRPORT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Palm Beach County ("County"), by and through its Department of Airports ("Department"), owns and operates the Palm Beach International Airport ("Airport"), which is located in Palm Beach County, Florida; and

WHEREAS, the County established aircraft apron fees pursuant to Resolution R-2005-0457 for the Airport, which became effective on March 1, 2005; and

WHEREAS, aircraft apron fees are charged to Fixed Base Operators (as defined in the General Aviation Minimum Standards for Palm Beach International Airport, Resolution No. 2003-0411, as may be amended from time to time, or any successor resolution) who utilize ground areas improved by the County with aircraft parking apron in lieu of paying fixed rental; and

WHEREAS, aircraft apron fees have not been increased since 2005; and

WHEREAS, the Board of County Commissioners of Palm Beach County ("Board") has determined that an increase to aircraft apron fees as set forth in this Resolution is fair, reasonable and nondiscriminatory.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, that:

Section 1. Recitals. The foregoing recitals are true and correct and are expressly incorporated herein by reference and made a part hereof.

Section 2. Aircraft Apron Fees. Section 3 of Resolution No. 2005-0457 is hereby deleted in its entirety and replaced with the following:

Section 3. Establishment of Aircraft Apron Fees. Each Fixed Base Operator operating at the Airport that utilizes aircraft parking apron owned and developed by the County shall collect and remit to the County a fee of Three Cents (\$0.03) per gallon, for each gallon of aviation fuel sold by or through such Fixed Base Operator for the privilege of using such aircraft parking apron ("Aircraft Apron Fee"). On January 1, 2014, the Aircraft Apron Fee shall be increased to Five Cents (\$0.05) per gallon. On each October 1st thereafter, commencing on October 1, 2014, and ending on October 1, 2017, the Aircraft Apron Fee shall be automatically increased by an additional Two Cents (\$0.02) per gallon until the Aircraft Apron Fee is Thirteen Cents (\$0.13) per gallon. Aircraft Apron Fees shall be remitted to County on or before the twentieth (20th) of each month for the preceding month or as otherwise required by agreement between the County and the Fixed Based Operator. Notwithstanding the foregoing, a Fixed Base Operator shall not be required to collect Aircraft Apron Fees from subtenants purchasing fuel who primarily operate on and from an aircraft parking apron areas that are owned and developed by the Fixed Base Operator or for which the Fixed Base Operator pays the County a rental rate based upon the square footage of such aircraft parking apron pursuant to agreement.

Section 4. Severability. If any section, sentence, clause, phrase, or word of this Resolution is held invalid or unconstitutional by a Court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this resolution.

Section 5. Effective Date. This Resolution shall become effective upon adoption.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and, being put to a vote, the vote was as follows:

Commissioner Steven L. Abrams, Mayor	-
Commissioner Priscilla A. Taylor, Vice Mayor	-
Commissioner Hal R. Valeche	-
Commissioner Paulette Burdick	-
Commissioner Shelley Vana	-
Commissioner Mary Lou Berger	-
Commissioner Jess R. Santamaria	-

Then the Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2013.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

Sharon R. Bock, Clerk & Comptroller, Palm Beach County

By: _____
Deputy Clerk

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

By: _____
County Attorney