

BOARD OF PORT COMMISSIONERS OF THE LEE COUNTY PORT AUTHORITY

1. REQUESTED MOTION/PURPOSE: Request Board approve a "Second Amendment to Fuel System Agreement for Southwest Florida International Airport" with RSW Fuel Company LLC.	5. CATEGORY: 28 Administrative Agenda
2. FUNDING SOURCE: N/A	6. ASMC MEETING DATE: 8/20/2024
3. TERM: October 1, 2011, to September 30, 2054	7. BoPC MEETING DATE: 9/5/2024
4. WHAT ACTION ACCOMPLISHES: Extends the term of the Fuel System Agreement with RSW Fuel Company LLC by an additional 14 years and expands the parcel size to allow for installation of addition fuel storage tanks and other improvements.	

8. **AGENDA:**

☐ CEREMONIAL/PUBLIC PRESENTATION
☐ CONSENT
☒ ADMINISTRATIVE

9. **REQUESTOR OF INFORMATION:** (ALL REQUESTS)

NAME Brian W. McGonagle
 DIV. Administration

10. **BACKGROUND:**

RSW Fuel Company LLC (the "LLC") leases Southwest Florida International Airport's airline fuel system under a "Fuel System Agreement" with the Authority dated November 14, 2011, and amended September 3, 2020. The LLC is owned and controlled by its members, which are each air carriers serving the airport.

The current fuel system at RSW is comprised of four, 420,000 gallon storage tanks with a total system capacity of 1,680,000 gallons. In 2023 alone, more than 72 million gallons of fuel was processed through the system. The current fuel system is not adequately sized to meet the anticipated demand associated with 14 new airline gates that will result from the construction of Concourse E. To address this future demand, the LLC, at its sole expense, is proposing to expand the existing fuel system. The proposed expansion includes the addition of three fuel storage tanks, a 4th pump train, an additional offload station with two truck positions, and other facility improvements. Each of the three additional storage tanks will hold 840,000 gallons. Combined, the additional storage tanks will add 2,520,000 gallons of additional storage capacity, bringing the total system storage capacity to 4,200,000 gallons.

To accomplish this expansion, the LLC desires to lease additional land and extend the term of the existing agreement. The proposed Second Amendment will expand the existing fuel storage area to 3.49 acres, and the Fuel System Area Land Rent will increase to \$9,345.45 per month. The term of the agreement will be extended by an additional fourteen (14) years, from September 30, 2041, to September 30, 2054, to facilitate the LLC's procurement of additional financing for its proposed improvements and operations. All other terms of the agreement will remain unchanged.

11. **RECOMMENDED APPROVAL**

<u>DEPUTY EXEC DIRECTOR</u>	<u>COMMUNICATIONS AND MARKETING</u>	<u>OTHER</u>	<u>FINANCE</u>	<u>PORT ATTORNEY</u>	<u>EXECUTIVE DIRECTOR</u>
Brian W. McGonagle	Victoria B. Moreland	N/A	David W. Amdor	Andrea R. Fraser	Steven C. Hennigan

12. **SPECIAL MANAGEMENT COMMITTEE RECOMMENDATION:**

APPROVED **X (6-0)**
 APPROVED as AMENDED
 DENIED
 OTHER

13. **PORT AUTHORITY ACTION:**

APPROVED
 APPROVED as AMENDED
 DENIED
 DEFERRED to
 OTHER

Background (continued)

Attachments:

1. Contract Summary
2. Proposed "Second Amendment To Fuel System Agreement at Southwest Florida International Airport"