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OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Agenda Item No. 14(A)(7)

Date: September 18, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

Subject: Resolution Authorizing Execution of Amendment No. 1 to the Stevedoring Services Access Agreement Between Miami-Dade County and Royal Caribbean Cruises, Ltd.

Resolution No. R-754-12

RECOMMENDATION

It is recommended that the Board approve the accompanying resolution authorizing the execution of Amendment No. 1 to the Stevedoring Services Access Agreement between Miami-Dade County and Royal Caribbean Cruises, Ltd.

SCOPE

PortMiami is located within District 5 – Commissioner Bruno A. Barreiro. The impact of this agenda item is countywide as PortMiami is a regional asset and generates employment for residents throughout Miami-Dade County.

FISCAL IMPACT/FUNDING SOURCE

This Amendment has no fiscal impact to the County. The contracts are revenue neutral to the Port since all expenses incurred as a result of contracting with the stevedoring provider will be billed to the cruise line. To defray administrative expenses which will be incurred by the Port, the County will receive an Administrative Fee of one-hundred thousand dollars ($100,000) annually. This work will be absorbed by existing Seaport personnel.

TRACK RECORD/MONITOR

The Seaport Department staff members responsible for monitoring the Amendment and Agreement are Juan Kuryla, Deputy Director, Kevin Lynskey, Assistant Director, Business Initiatives, and Hydi Webb, Business Development Manager.

BACKGROUND

On September 15, 2009, the Board approved Resolution R-1128-09, which among other things, authorized the execution of a Stevedoring Service Access Agreement between Miami-Dade County and Royal Caribbean Cruises Ltd. ("RCCL").

This Agreement provides RCCL access to non-exclusive Board-approved stevedoring contracts between the County and Port-permitted stevedores, through which RCCL receives stevedoring services. The specific scope of these services, and the rates charged, are determined by RCCL and its selected stevedore company and transmitted to the County via written documents. The scope of services may include, but are not limited to stevedoring and related labor, training of personnel, baggage handling equipment, labor for handling of passenger bags, labor for handling ships' lines, labor and equipment for ship provisioning, labor for safety, etc.

The effective date of this Agreement was October 1, 2009 for one (1) year with RCCL having an option to renew for two (2) additional one (1) year terms. RCCL exercised these options on September 1, 2010, and September 1, 2011, respectively. The second extended term is set to expire on September 30, 2012.

The parties desire to amend the Agreement by expanding the number of potential one-year extensions which RCCL may exercise. Thus, should the Board approve this item, five (5) new terms of one (1) year each shall be added to the Agreement. RCCL shall continue to provide written notice to the County for any extensions within one (1) month prior to the termination or expiration of the then existing term.

It is anticipated that terminal stevedoring cost for RCCL will be approximately $8 million per year based on its current passenger throughput of approximately 800,000 passengers per year. However, these costs will be passed on directly to the cruise line, plus an annual additional administrative fee of one-hundred thousand dollars ($100,000) to cover the Port's administrative costs. The Port does not anticipate incurring additional expenses as a result of this proposed amendment.

This Stevedoring Services Access Agreement is largely consistent with the Board approved agreement between the County and Norwegian Cruise Line on December 15, 2009 via Resolution R-1431-09. Both agreements with RCCL and Norwegian Cruise Line provide for access to Port-permitted stevedores along with modifications to billing procedures.

DELEGATED AUTHORITY

In accordance with Section 2-8.3 of the Miami-Dade County Code related to identifying delegation of Board authority, there are no authorities beyond that specified in the resolution which include the authority for the Mayor or designee to execute the Amendment.

Jack Osterholt, Deputy Mayor

MEMORANDUM
(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

DATE: September 18, 2012

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 14(A)(7)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 14(A)(7)
9-18-12

RESOLUTION NO. R-754-12

RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO THE STEVEDORING SERVICES ACCESS AGREEMENT BETWEEN MIAMI-DADE COUNTY AND ROYAL CARIBBEAN CRUISES, LTD.; AND AUTHORIZING THE MAYOR OR THE MAYOR'S DESIGNEE TO EXECUTE AMENDMENT NO. 1 FOR AND ON BEHALF OF MIAMI-DADE COUNTY AND TO EXERCISE ANY CANCELLATION AND RENEWAL PROVISIONS THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Approves the execution of Amendment No. 1 to the Stevedoring Services Access Agreement between Miami-Dade County and Royal Caribbean Cruises, Ltd., in substantially the form attached hereto and made a part hereof; and

Section 2. Authorizes the Mayor or the Mayor's Designee to execute this Amendment No. 1 after review and approval by the County Attorney's Office, and to exercise any cancellation and renewal provisions therein.

The foregoing was offered by Commissioner **Rebeca Sosa**, who moved its adoption. The motion was seconded by Commissioner **Sen Javier D. Souto** and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman			**aye**
Audrey M. Edmonson, Vice Chairwoman			**aye**
Bruno A. Barreiro	**aye**	Lynda Bell	**absent**
Esteban L. Bovo, Jr.	**aye**	Jose "Pepe" Diaz	**aye**
Sally A. Heyman	**aye**	Barbara J. Jordan	**aye**
Jean Monestime	**aye**	Dennis C. Moss	**aye**
Rebeca Sosa	**aye**	Sen. Javier D. Souto	**aye**
Xavier L. Suarez	**aye**		

The Chairperson thereupon declared the resolution duly passed and adopted this 18th day of September, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

By: Christopher Agrippa
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. SBB

Steven B. Bass

AMENDMENT NO. 1 TO STEVEDORING SERVICES ACCESS AGREEMENT BETWEEN MIAMI-DADE COUNTY AND ROYAL CARIBBEAN CRUISES, LTD.

This Amendment No. 1 is made and entered into this _____ day of September, 2012, by and between Royal Caribbean Cruises Ltd., a Liberian corporation ("RCCL"), and Miami-Dade County, Florida, a political subdivision of the State of Florida ("County"). RCCL and the County are hereinafter collectively referred to as "the Parties."

W I T N E S S E T H:

WHEREAS, the County and RCCL entered into a Stevedoring Service Access Agreement on or about October 5, 2009 (hereafter, the "Access Agreement"); and

WHEREAS, the Access Agreement had an initial term of one year, with RCCL having an option to extend said Agreement by up to two (2) additional terms of one year each; and

WHEREAS, RCCL exercised its options to extend the initial term of the Access Agreement by the two contemplated additional one-year terms, the latter of which was exercised on or about September 1, 2011, which second extended term expires on September 30, 2012; and

WHEREAS, the Parties now wish to enter into this Amendment No. 1 to the Access Agreement for the purposes of expanding the number of potential one-year extensions RCCL may exercise.

NOW, THEREFORE, in consideration of the premises, and of the mutual covenants, terms and conditions hereinafter contained, the sufficiency of which are hereby acknowledged, the Parties hereto do and hereby mutually agree and bind themselves as follows:

Section 1. Amendment to the Access Agreement. The Access Agreement is hereby amended as follows:

(a) By amending and restating in its entirety Article 1 of the Access Agreement as follows:

1. INITIAL TERM AND EFFECTIVE DATE

The effective date of this Agreement ("Effective Date") shall be October 1, 2009. Subject to the terms and conditions contained herein, the Initial Term of this Agreement shall be for a period of one (1) year from the Effective Date. RCCL shall have the option to request an extension of this Agreement for up to seven (7) additional terms of one (1) year upon RCCL providing written notice to the County within one (1) month prior to the termination or expiration of the then-existing term. Any extension of this Agreement shall be under the same terms and conditions as in this Agreement."

Section 2. Supplement. This Amendment No. 1 to the Access Agreement is expressly made supplemental to and a part of the Access Agreement and, except as amended hereby, shall be and remain in full force and effect.

Section 3. Governing Law/Exclusive Venue. This Amendment No. 1 to the Access Agreement is delivered in the State of Florida and shall be governed by and construed in accordance with the laws of Florida. Venue for any action to enforce or construe any term of this Amendment No. 1 shall lie exclusively in Miami-Dade County, Florida.

Section 4. Counterparts. This Amendment No. 1 to the Access Agreement may be executed in counterparts which taken together shall constitute one agreement.

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IN WITNESS WHEREOF, the Parties have caused this Amendment No. 1 to the Access Agreement to be executed by their duly authorized officers as of the date first written above.

MIAMI-DADE COUNTY, FLORIDA
a political subdivision of the State of Florida

By:_____
Jack Osterholt
Deputy Mayor

Approved as to legal form and sufficiency

ATTEST:
CLERK OF THE BOARD

_____
Assistant County Attorney

By:_____
Deputy Clerk

ROYAL CARIBBEAN CRUISES LTD.

ATTEST:

By:_____

By:_____
Name: JOHN TORCASSIO
Title: VP, PORT OPERATIONS

LEGAL

Corporate Seal: