



THE CITY OF KEY WEST
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September 12, 2024

Charles B. Robertson
President and CEO
American Cruise Lines, Inc.
741 Boston Post Road, Suite 200
Guilford, CT 06437

RE: American Cruise Lines Agreement Fee Structure

Dear Mr. Robertson

The City of Key West would like to congratulate you and your employees on a mutually successful first season operating at our Mallory Square T-Pier. The city, many of our local businesses, and your passengers have benefitted from this new partnership. We look forward to continued mutual benefit with this new three-year partnership, with the option for a three-year extension.

As to fees, on October 1, 2024, the city will implement the following fee structure for American Cruise Lines ships:

- Priority Reservation Rights Fee: \$200,000.00 annually
 - Provides American Cruise Lines reservation rights up to 24 months in advance of dockage
 - Year 1 Priority Reservation Rights Fee will be reduced to \$100,000.00 due to overlap of previous contract containing no Rights Fee. Rights Fee for years 2, 3 and any option years will be \$200,000.00
- Passenger Disembarkation: \$13.38 per passenger for any part of each calendar day
- Dockage: \$3.86 per linear foot for any part of each calendar day
- Security Charge: Direct pass-through
 - Facility Security Plan requires two (2) Law Enforcement rated officers at FY 2025 rate of \$65.00/ hour per officer.
- Water Charge: Direct pass-through
 - Facility water charge will be calculated at current Florida Keys Aqueduct Authority rate.

Passenger Disembarkation and Dockage fees will be adjusted each year on October 1, based on the average change in the U.S. Department of Commerce Consumer Price Index for All Urban Consumers (CPI-U) as reported by the Bureau of Labor Statistics for the 12 months prior to August 1 of that year. If you have questions or need additional information, please do not hesitate to call me at 305-809-3811 or you may contact Karen Olson, Port and Marine Services Director at 305-809-3803.

Sincerely,

Todd Stoughton
Interim City Manager

Key to the Caribbean – Average yearly temperature 77° F.