

RESOLUTION NO. 23-279

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE FEES SET FORTH IN THE ATTACHED "RES. 22-073 COMPLIANT SHIP FEE LETTER" TO BECOME EFFECTIVE ON NOVEMBER 1, 2023; PROVIDING THAT RATES MAY BE ADJUSTED BY THE CITY COMMISSION AFTER ONE YEAR; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, smaller ships, compliant with Resolution 22-073, are anticipated to dock at the Mallory T-Pier for longer port visits than larger ships, and possibly for more than one calendar day; and

WHEREAS, a fee schedule different than the standard (larger) cruise ship rates, is necessary to address the varied requirements of the small ship visits, and accordingly, City staff performed research of publicly available data at comparable, publicly owned ports of call in Maine, South Carolina, Georgia, Louisiana and Florida, and recommends adoption of the attached rates for Res. 22-073-compliant ships to the Mallory T-Pier; and

WHEREAS, port fees are designed to cover direct and indirect costs of providing security, safety, and for maintaining City of Key West port facilities and infrastructure, and accordingly the rates will be re-evaluated after one-year, and adjustments to such rates may be recommended at that time to ensure all allowable costs are covered by such fees; and

WHEREAS, City staff recommends approval of the fee structure for Resolution 22-073 Compliant Ships, to protect and enhance the welfare and safety of the residents and visitors of Key West; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That fees payable to the City of Key West for small ships, compliant with Resolution 22-073, at the Mallory Square T-Pier are hereby approved, as set forth in the attached "Res. 22-073 Compliant Ship Fee Letter", to become effective on November 1, 2023.

Section 2: That City staff (or authorized consultants) shall review the approved rates at the end of one year, and accordingly recommend adjustments for City Commission approval at that time.

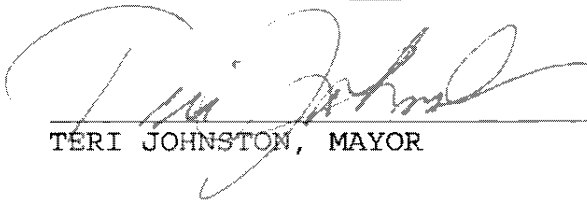
Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this
12th day of October, 2023.

Authenticated by the Presiding Officer and Clerk of the Commission
on 12th day of October, 2023.

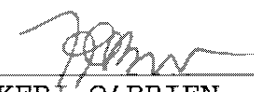
Filed with the Clerk on October 12, 2023.

Mayor Teri Johnston	<u>Yes</u>
Vice Mayor Sam Kaufman	<u>Yes</u>
Commissioner Lissette Carey	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Clayton Lopez	<u>Absent</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>

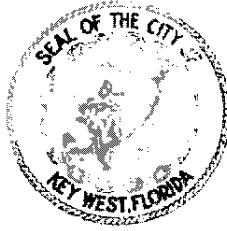


TERI JOHNSTON, MAYOR

ATTEST:




KERI O'BRIEN, CITY CLERK



MEMORANDUM

Date: October 12, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress 
City Manager

From: Steve McAlearney
Director, Port & Marine Services

Subject: Approving Resolution 22-073 Compliant Ship Fee Structure

Introduction

Resolution approving a fee structure for the smaller, Resolution 22-073 compliant, ship visits to the Mallory T-Pier.

Background

On March 10, 2022, the City Commission passed a resolution defining a cruise ship, among other indicators, as a vessel with the capacity to carry 500 or more individuals (passengers and crew). Additionally, the Commission directed that all cruise ships be directed away from City owned or controlled property, and conveyed intent that all cruise ships be docked at non-City owned property, specifically Pier B. The effect of Resolution 22-073 was that only smaller capacity ships (less than 500 passengers and crew) would be able to dock at the City owned Mallory T-Pier.

The previous fee structure for the Mallory T-Pier, intended to adequately cover the direct and indirect costs of providing safety and security for cruise passengers and for maintaining the dockage facilities and infrastructure, was based on passenger counts far in excess of those allowed under Resolution 22-073. Meanwhile, personnel, operating and maintenance costs to operate the pier remained largely the same. An additional difference in smaller ship operations is that port visits tend to be significantly longer. Also, previous policy at the Mallory T-Pier was that any ship that stayed overnight was charged for a second day, as that berth could have been sold to another customer. While these rates will cover port operating costs, it is recommended that they be adjusted in one year, based on a thorough tariff analysis

Significant research of publicly available data at comparable, publicly owned ports of call in Maine, South Carolina, Georgia, Louisiana and Florida was also conducted in determining these suggested rates:

- Passenger Disembarkation: \$13.00 per passenger for any part of each calendar day
- Dockage: \$3.75 per linear foot for any part of each calendar day
- Security Charge: Direct pass-through.
 - Facility Security Plan requirement two (2) Law Enforcement rated officers at \$65.00/ hour detail
- Water Charge: Direct pass-through at current Fl. Keys Aqueduct Auth. rate.

Procurement

The small (Res 22-073 compliant) ship pricing structure will go into effect November 1, 2023, and will adequately cover the direct and indirect costs of providing safety and security for cruise passengers while maintaining dockage facilities and infrastructure.

Recommendation

The City Manager's Office recommends the Mayor and Commission approve the fee structure for the smaller, Resolution 22-073 compliant, ship visits to the Mallory T-Pier.