



## EXECUTIVE SUMMARY

**TO:** Key West Bight Board  
**FROM:** Mark Tait  
**CC:** Marilyn Wilbarger  
**DATE:** December 1, 2011  
**SUBJECT:** 1-Year Dockage Agreement

---

**ACTION STATEMENT:** The purpose of this item is to approve a 1-year commercial marina dockage agreement.

**BACKGROUND:** Dockage agreements for the Key West Bight Marina have always been 30-day agreements. The commercial tenants have been requesting longer term agreements for quite some time. We are restricted by our submerged Land Lease so that we cannot issue longer than 1-year dockage agreements. Attached is the proposed 1-year dockage agreement that staff is recommending. The changes between the current agreement and the proposed agreement are:

- 1-year term instead of 30-day term.
- Tenant will pay their share of solid waste (garbage) just like the upland tenants.
- 2 months security deposit instead of 1 month.
- 1 million / 3 million insurance policy instead of \$300,000.
- Allows owner to lease a vessel for commercial use.
- Now allows marina to dye test sanitation tanks.
- Sale of business must include original vessel. No remedy.
- Transfer fee \$500 instead of \$400.
- No parking associated with agreement.

### **OPTIONS/ ADVANTAGES/ DISADVANTAGES:**

1. The Bight Board can approve the 1-year dockage agreement as presented.
2. The Bight Board can make changes to the new agreement as it wishes.
  - A 1-year agreement provides the tenant with more borrowing power from banks than the 30-day agreement does.
  - Security deposits same as upland tenants to help offset the lengthy eviction process and standardize security deposits.
  - Industry standard set by our Risk Management Department.
  - Current agreement does not allow leased vessels.
  - Standardizes transfer fees.

**FINANCIAL IMPACT:** Staff is requesting a 3.8% CPI increase to coincide with the new 1-year dockage agreement. That increase is based upon the 12 month

average of CPI Miami. It has been three years since the last CPI increase for commercial tenants. The upland tenants have an annual rate increase built into their lease the marina tenants do not.

**RECOMMENDATION:** Staff recommends that the Bight Board approves the proposed 1-year dockage agreement and 3.8% rate increase.

**ATTACHMENTS:**

Proposed 1-year dockage agreement

Current dockage agreement

Updated Marina rules

Commercial marina rates