




MEMORANDUM

Date: September 14, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress 
City Manager

From: Karen Olson
Deputy Director Port & Marine Services

Subject: Addendum to Commercial & Commercial Term Charter Dockage Agreements

Introduction

Resolution approving an addendum to the Key West Eight month to month Commercial & Commercial Term Charter Dockage agreements requiring tenants to be actively involved in commercial operations in an ongoing manner.

Background

The current dockage agreements have no wording requiring our commercial marina tenants to actively operate their business. Without this language some tenants are utilizing the lower commercial rates for wet slip storage. The new language will require all commercial and commercial term charter tenants to be actively involved in commercial operations in an ongoing manner.

*Active Commercial Use. Commercial and Commercial Term Charter dockage agreements shall be issued to and held by only such vessels as are **actively engaged** in commercial operations described in paragraph 1 in an ongoing manner, subject to seasonal fluctuations in the industry and Force Majeure. Vessels determined, by the Director of Port & Marine Services, not to be actively engaged in commercial operations shall constitute default by Owner and shall give CRA the right at its option to terminate this agreement in the manner provided by paragraph 9 of the dockage agreement. Subsequent violations of this requirement shall terminate this agreement and CRA shall not be required again to issue warning as provided for in paragraph 25.*

All Commercial and Commercial Term Charter lease holders shall maintain a detailed daily vessel

trip log tracking number of guests and trips leaving the dock which will be available to staff upon request. In addition, a compilation of the vessels trip logs shall be provided to the Director of Port & Marine Services on a bi-annual basis. If it is determined that no active commercial operations have been conducted during the previous six months the Director of Port & Marine Services, at their sole discretion, has the right to terminate this agreement in the manner provided for in paragraph 9, and this action shall be final.

Definitions:

Actively Engaged. In general, it implies the deliberate and vigorous engagement or effort, with a high degree of volume, use, or participation.

Force Majeure. An event or effect that cannot be reasonably anticipated or controlled, including severe weather events and critical health issues.

The Key West Bight Management District Board approved this item at their August 9, 2023, meeting through Resolution KWB #23-17.

Procurement

Slips being used for wet storage may be converted to Transient rental increasing revenues for the Key West Bight.

Recommendation

The City Manager's Office recommends the Mayor and Commission approve an addendum to the Key West Bight month to month Commercial & Commercial Term Charter Dockage agreements requiring tenants to be actively involved in commercial operations in an ongoing manner.