



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

EXECUTIVE SUMMARY

TO: Jim Scholl, Interim City Manager

FROM: David Hawthorne, City Marina Manager

DATE: August 15, 2014

SUBJECT: Surcharge fee collected from commercial charter boat leases for capital improvements

ACTION STATEMENT:

To amend the current charter boat lease to allow for the expanded use of capital improvement fees collected from commercial charter boat leases to also be used to pay for capital maintenance expenses to already existing capital assets.

BACKGROUND:

In February 2012, the commercial charter boat lease was amended to allow for the collection of a surcharge fee to each commercial charter lease. The fees collected at \$1.00 per foot each month from each commercial charter boat tenant is currently used toward capital improvements to the marina. Staff would like to request to amend the current charter lease to reflect that the fees collected can also be used to cover cost associated with capital maintenance to already existing capital assets.

PURPOSE & JUSTIFICATION:

City Marina lacks the funds for large capital maintenance programs at Charter Boat Row. The amendment to the charter boat lease would allow for the surcharge fee collected for infrastructure improvements to also be used to refurbish existing infrastructure. For example: refurbishment and not necessarily replacement to roofs, docks, buildings, asphalt restoration, etc.

FINANCIAL IMPACT:

The capital infrastructure funds collected to date are \$ 39,463.00

RECOMMENDATION:

City Staff recommends that the commission approve the request for amendment to the charter boat lease that will allow the capital surcharge fees collected from commercial charter boat tenants to be used for capital maintenance associated with already existing capital assets.

ATTACHMENTS:

Charter Boat Lease, Request from Charter Boat Captains

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

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