June 3, 2025

Mayor Henriquez and Commissioners Carey, Castillo, Haskell, Hoover, Kaufman, and Lee:

Item # 50 on your agenda for June 4, 2025, concerns staff's recommendation to award a contract for implementation of the City's Water Quality Monitoring Program in response to RFP # 25-004. We are writing for the following purposes:

- to express our concerns that RFP 25-004 fails to reflect the City's requirements for water quality monitoring under its "Cruise Ship Regulations," defined and described in Chapter 80 of its Code of Ordinances;
- to strongly urge the Commission to incorporate the requirements of Chapter 80 in any contract it may award for RFP 25-004;
- to strongly urge the City to report to state and federal agencies the 32 violations of state and federal water quality standards which were documented by the previous monitoring program, as required by Chapter 80; and
- 4. to notify the City of the risk of penalties, including potential legal action for declaratory judgment and injunctive relief, if it awards a contract that fails to address its requirements under Chapter 80 or if it fails to meet its obligation to report previously documented violations, or future violations, to state and federal agencies.

We have no desire to litigate this issue against the City in the Courts. We know the City is now facing numerous challenges. These include the serious and structural changes that have been urged upon the City Commission by the recent Grand Jury, whose Report describes "a pervasive culture of negligence, nepotism, manipulation, and abdication of duty at the highest levels of city leadership." We also note the Grand Jury's attention to Key West's designation by the State Legislature as an "Area of Critical State Concern" (ACSC); and its attention to the fact that pollutants in our waterways and degradations in water quality can arise when the rule of law is not observed. As the Grand Jury stated, "The careless oversight of these regulations has real world impacts on the city of Key West and beyond; including near shore water quality which affects the health of ocean life and fish." We also believe water quality is fundamentally important to our economy and the social fabric of our community. We strongly urge the City to accept its legal responsibility to follow its own rules to protect the water quality of its waterways from the demonstrated harm caused by cruise ships.

The City is required to perform water quality monitoring under the "Cruise Ship Regulations" of its Chapter 80. But not just any water monitoring program will do. As the attached memo demonstrates, Chapter 80 specifically requires the City to perform **monitoring of water quality violations caused by cruise ships** in Key West's waterways. Additional context for this requirement is provided by the enacting ordinance (22-07), which added Chapter 80 to the Code of Ordinances. That ordinance, adopted unanimously by the City Commission on April 5, 2022, states findings by the Commission including the following:

"WHEREAS, the City Commission finds substantial evidence that unregulated cruise ship operations impact the public safety, health and welfare of the citizens of Key West; and

"WHEREAS, the City Commission finds that regulations imposed on the discharge of Pollutants related to cruise ship operations will promote the health, safety and welfare of the citizens of Key West; and

"WHEREAS, the City of Key West, seeking to mitigate harm to the environment and coral reefs and to support the highest standards of environmental compliance and health safety, desires to regulate the discharge of Pollutants from cruise vessels within the legal boundaries of the City of Key West."

The City has experience in performing the sort of monitoring specifically required by Chapter 80. Through its previous contract with the College of the Florida Keys, waterways were monitored for pollutants and water quality violations historically associated with cruise ships in Key West, specifically through testing for suspended particulates/turbidity with monitoring equipment attached to the City-owned "Yellowman" station, located in close proximity to the Pier B Cruiseport. Monitoring at this station documented a total of 32 specific violations of state and federal statutes regarding turbidity that were associated with cruise ships docking at Pier B. These violations were reported to the City over six months ago, in November, 2024.

The City's RFP was drafted with reckless disregard for this history. The RFP fails in a number of respects to meet the City's own legal obligations, to wit:

- to direct respondents to test for suspended particulates/turbidity and any other pollutants historically associated with cruise ships;
- 2. to direct respondents to test in the harbor and/or the ship channel where cruise ships operate; and

3. to direct respondents to utilize the City-owned "Yellowman" station, which effectively captured evidence of prior violations by cruise ships.

The word "cruise ship" appears only once in the RFP, as part of a generic description of Key West's population and tourist visitation. The words "vessel," "turbidity," "sedimentation," "particulates," and "silt" do not appear at all, despite extensive historical documentation by state and federal agencies of these problems and their connection to cruise ships.

Instead of requesting that proposals meet the City's clear and specific requirement to monitor for cruise-ship pollution under Chapter 80, the RFP asks respondents to review data, identify actions, and design a monitoring program that will be subject to "feedback and prioritization" from the City Commission prior to implementation. This proposed "feedback and prioritization" by the Commission implies to us an ad-hoc process, one whose outcome may be influenced by factors unrelated to the City's legal obligations, including political pressure from cruise-ship operators like Pier B Development Corporation, which has previously stated its opposition to Chapter 80's requirement to monitor for cruise-ship-related pollutants. But Chapter 80's requirements are crystal clear. Any "feedback and prioritization" of tasks should only began after the City has first established monitoring that meets its legal obligations under the Code.

Moreover, the RFP specifies that proposals must increase testing for bacteria at swimming beaches, stating "The City has already identified bacteria as a pollutant of concern at the Swimming Beaches." While we support increased testing at beaches, the RFP does not assert a connection between bacteria at swimming beaches and cruise ship operations in Key West's waterways, and thus this testing would do nothing to satisfy the City's legal requirements under Chapter 80. The City's decision to specifically require monitoring at beaches, while not requiring monitoring in the harbor or ship channel; and its statement that "the City has already identified bacteria as a pollutant of concern," while remaining silent about the prior monitoring program's documentation of 32 water quality violations caused by cruise ships, further emphasizes its reckless disregard of Chapter 80, which precisely requires monitoring of water quality violations caused by cruise ships, and requires reporting of such violations.

We know Chapter 80 and its history well. At the request and direction of the City Commission, our Committee participated in the collaborative process, led by former City Attorney Shawn Smith, which ultimately produced this ordinance. Over a 6-month period beginning in October 2021, we engaged in a series of meetings with City staff, including former City Attorney Smith

and former City Manager McLauchlin; and with the City's outside counsel for the cruise ship ordinances, Joseph Pozzuoli, who invited us to comment on working drafts of the ordinance and provide materials from our research. This process also included a formal mediation, overseen by Judge Sandra Taylor, between stakeholders including our Committee, the City and its outside counsel, and the owners and legal counsel for Pier B.

The outcome of this lengthy and deliberative process was the Cruise Ship Regulations of Chapter 80, which was unanimously adopted by the Commission in April 2022.

In contrast to that process, RFP 25-004 appears to have been drafted without the benefit of public input. Its appearance on the June 5 agenda is the first time it has been provided to the public. In light of the Grand Jury investigation and indictment of the former City Attorney, we are also concerned the RFP may have been drafted without benefit of a diligent technical and legal review that could have identified its shortcomings with regard to Chapter 80.

It is not too late for the City to remedy the failures of the RFP, and there is no need to lose more time before the monitoring required by Chapter 80 is resumed. We propose that the Commission award a contract for water quality monitoring at this meeting with clear direction to staff to require, as part of this contract, the following elements:

- perform testing for suspended particulates/turbidity, as regulated by state and federal water quality standards, including standards for Outstanding Florida Waters (OFW), and which is historically associated with cruise ships in Key West's waterways;
- 2. perform testing in the harbor and the ship channel where cruise ships operate;
- 3. perform testing from a station attached to the City-owned "Yellowman" structure, in order to measure whether cruise ship operations are continuing to cause the violations of state and federal water quality standards that were documented by prior testing.
- Additionally, the Commission should direct the City Manager to immediately report to state and federal agencies the 32 prior documented violations, as required by Chapter 80, as well as state and federal regulations, and develop procedures for timely reporting of any future violations.

If the City enters into a contract for water quality monitoring that fails to reflect the elements outlined above, we believe it will assume the risk of potential penalties, including potential legal action that would compel it to do so. However, we believe potential paths to litigation would be closed off if the City would simply follow its own rules and regulations.

We are available to answer any questions from staff or individual Commissioners in advance of Wednesday's meeting. We will also be present at the meeting and available to answer any questions at that time.

Respectfully,

Arlo Haskell on behalf of **Key West Committee for Safer, Cleaner Ships** Evan Haskell, President Capt. Will Benson, Vice President Arlo Haskell, Treasurer David Dunn, Secretary

Memorandum on Chapter 80

<u>Chapter 80</u> of the City of Key West's Code of Ordinances is titled "Cruise Ship Regulations." In <u>Section 80-1</u>, cruise ships are defined as the sole class of vessel which are subject to the regulations. Wherever Chapter 80 uses the term "vessel," the term is a synonym for "cruise ship:"

"Vessel' shall mean a cruise ship holding more than five hundred (500) passengers and such cruise ship's owner(s)." (Sec. 80-1)

In <u>Section 80-2(1)</u>, the discharge of pollutants by cruise ships in Key West's waterways is outlawed:

"It shall be unlawful for any vessel to deposit, place or discharge any pollutant into the waterways of the City of Key West." (Sec. 80-2(1))

In <u>Section 80-2(2)</u>, cruise ships docking in Key West are required to comply with applicable laws:

"Vessels docking at the City of Key West shall at all times be in full compliance with all applicable state, federal and international safety, health and environmental protection statutes, regulations, standards and requirements, including, but not limited to, the Oil Pollution Act of 1990, the International Convention for Safety of Life at Sea, the International Convention for Prevention of Pollution from Ships, and shall have a valid certificate of inspection." (Sec. 80-2(2))

Section 80-3 requires monitoring of water quality violations of Section 80-2:

"The City of Key West shall also establish a water quality monitoring fund for the monitoring of water quality violations of Sec. 80-2 in the Waterways of the City of Key West, via certified, independent, qualified water quality monitoring expert, or governmental entity to be identified by resolution annually." (Sec. 80-3)

As demonstrated above, the only water quality violations described in Section 80-2 are *the discharge of pollutants by cruise ships* (Sec. 80-2(1)); and any *noncompliance with applicable state and federal standards by cruise ships docked in Key West* (Sec. 80-2(2)). Therefore, where Section 80-3 requires "monitoring of water quality violations of Sec. 80-2" this in fact means "monitoring of pollution caused by cruise ships" and "monitoring of noncompliance with state and federal standards caused by cruise ships."

Finally, in <u>Section 80-5</u>, "Enforcement," the City is required to coordinate with state and federal agencies to ensure that cruise ships docked in Key West comply with applicable law. This Section plainly obliges the City to timely report any documented noncompliance by cruise ships to these agencies, as a first step in coordinating efforts to ensure that cruise ship operations conform with the law.

"The City of Key West shall coordinate with state and federal agencies to ensure that vessel operations conform to all applicable laws relating to Sec. 80-2(2)."

ORDINANCE NO. 22-07

AN ORDINANCE OF THE CITY OF KEY WEST, FLORIDA, ADDING CHAPTER 80 OF THE CODE OF ENTITLED "CRUISE ORDINANCES, SHIP REGULATIONS" BY ADDING SECTION 80-1 DEFINITIONS, SECTION 80-2 PROHIBITING POLLUTION OF WATER, ESTABLISHING FEES RELATED TO THE FAILURE TO CLEANUP WATER POLLUTION, SECTION, SECTION 80-3 ESTABLISHING A CORAL REEF RESTORATION FUND AND ESTABLISHING A MECHANISM FOR THE OF RESTORATION FUND FUNDING AND ESTABLISHING A WATER QUALITY MONITORING FUND AND A MECHANISM TO FUND WATER MONITORING SECTION 80-4 OUALITY ; PASSENGER HEALTHCARE SERVICES; SECTION 80-4 PROVIDING FOR ENFORCEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City of Key West is an island with a delicate surrounding environment, including coral reefs and a tourist economy which depends upon a safe and clean environment, especially our near shore waters; and

WHEREAS, the City Commission finds substantial evidence that unregulated cruise ship operations impact the public safety, health and welfare of the citizens of Key. West; and

WHEREAS, the City Commission finds that regulations imposed on the discharge of Pollutants related to cruise

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ship operations will promote the health, safety and welfare of the citizens of Key West; and

WHEREAS, the City of Key West, seeking to mitigate harm to the environment and coral reefs and to support the highest standards of environmental compliance and health safety, desires to regulate the discharge of Pollutants from cruise vessels within the legal boundaries of the City of Key West; and

WHEREAS, the City Commission finds that, in the instance of disease outbreak, the treatment of cruise ship passengers at the City of Key West's medical facilities could overwhelm the City of Key West's medical infrastructure; and

WHEREAS, the City of Key West finds that this Ordinance establishing rules and regulations for cruise vessels docking at the City of Key West will promote the health, safety and welfare of the citizens and visitors of the City of Key West and does not restrict maritime commerce.

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NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF KEY WEST, FLORIDA:

Section 1: That Chapter 80 is hereby added to the Code of Ordinances as follows*:

CHAPTER 80 -- City of Key West Cruise Ship

Regulations.

*(Coding: Added language is <u>underlined;</u> deleted language is struck through at first reading. Added language is <u>double underlined</u> and double struck through at second reading.)

Sec. 80-1. Definitions.

As used herein, the following words, terms and phrases, when used in this ordinance, shall have the meanings ascribed to them in this section.

"Vessel" shall mean a cruise ship holding more than five hundred (500) passengers and such cruise ship's owner(s).

"Discharge" shall mean any spilling, leaking, pumping, pouring, emitting, releasing, emptying or dumping.

"Pollutant" shall mean ballast, dunnage, untreated sewage, garbage, liquid or solid matter, oil, gasoline, residuum of gas, calcium, carbide, trade waste, tar or refuse, Page 3 of 9 or any other floating matter or scum on the surface of the water, obstruction on the bottom of the waterways, or odors or gases of putrefaction as such Discharge is defined as a Pollutant by state or federal law.

<u>"Waterways of City of Key West" shall mean the water six</u> hundred (600) feet into the tidal waters adjacent to the City of Key West's corporate limits.

Sec. 80-2. Pollution of water.

(1) It shall be unlawful for any Vessel to deposit, place or discharge any Pollutant into the waterways of the City of Key West.

(2) Vessels docking at the City of Key West shall at all times be in full compliance with all applicable state, federal and international safety, health and environmental protection statutes, regulations, standards and requirements, including, but not limited to, the Oil Pollution Act of 1990, the International Convention for Safety of Life at Sea, the International Convention for Prevention of Pollution from Ships, and shall have a valid Certificate of Inspection. In the event of a Vessel Pollutant Discharge into the waterways of the City of Key West, the Vessel responsible for the Page 4 of 9 Discharge shall take immediate action to clean up the Discharge. Cleanup is to be accomplished in the shortest time possible, using industry approved standard methods, so as to limit in every way possible, damage to the environment. In any instance where it is determined by the City of Key West that cleanup efforts are not being undertaken in a timely and/or adequate manner by the responsible Vessel, the City of Key West may order resources, as necessary, to commence and complete the Pollutant Discharge cleanup. In such cases, the actual cost of the cleanup plus an administrative fee of 15% of the actual cost of cleanup will be charged to the responsible Vessel.

(3) Full payment of the cleanup costs, including administrative fee, must be paid by Vessel before the Vessel will be permitted to sail from the City of Key West. In instances where a Vessel is prohibited from sailing due to failure to pay actual cleanup costs and administrative fee as prescribed by this section: (a) an additional one thousand (\$1,000) dollar per-day Pollutant Discharge cleanup management fee will assessed until such time as Vessel sails from the City of Key West (b) the City of Key West will provide dock space or other anchorage and (c) the Vessel prohibited from sailing shall pay dockage fee to the City of Kew West Page 5 of 9 at then prevailing rates.

(4) In the event any oil or hazardous substance is discharged into or upon the waterway of the City of Key West, in a harmful or reportable quantity, the responsible Vessel shall immediately notify all appropriate state and local agencies and the National Response Notification Center.

Sec. 80-3. Coral Reef Restoration; Water Quality

Monitoring.

The City of Key West shall establish a fund for the express purpose to restore and maintain coral reefs adjacent to the City of Key West. The City of Key West shall engage certified, independent, qualified reef restoration experts, to be identified by resolution of the City of Key West annually, to restore and maintain such reefs. The City of Key West shall also establish a water quality monitoring fund for the monitoring of water quality violations of Sec. 80-2 in the Waterways of the City of Key West, via certified , independent, qualified water quality monitoring expert, , or governmental entity to be identified

by resolution annually.

Revenue for Coral reef restoration and maintenance fund and Water Quality monitoring fund shall be derived from the Page 6 of 9 administrative fee established in Section 80-2 herein, the cruise ship passenger Disembarkment Fee revenue share paid to the City of Key West, and any donation made to the funds. Allocation of funds to the respective programs shall be made annually via resolution of the City Commission.

Sec. 80-4. - Passenger healthcare services.

Vessels shall use best efforts to utilize on-board healthcare services regarding the medical needs of its passengers, with the exception of life-threatening emergencies. With the exception of life-threatening emergencies, Vessels shall transport any passenger-patient with COVID-19, or other confirmed or suspected highly transmissible illness requiring medical service, using an isolated emergency transportation method to a treatment facility outside of the City of Key West.

Sec. 80-5. -Enforcement.

The City of Key West shall coordinate with state and federal agencies to ensure that Vessel operations conform to all applicable laws relating to Sec. 80-2(2).

<u>Section 3</u>: If any section, provision, clause, phrase, or application of this Ordinance is held invalid or Page 7 of 9 unconstitutional for any reason by any court of competent jurisdiction, the remaining provisions of this Ordinance shall be deemed severable therefrom and shall be construed as reasonable and necessary to achieve the lawful purposes of this Ordinance.

Section 4: All Ordinances or parts of Ordinances of said City in conflict with the provisions of this Ordinance are hereby superseded to the extent of such conflict.

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Section 5: This Ordinance 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.

Read and passed on first reading at a	regular meeting
held this 10th day of March	, 2022.
Read and passed on final reading at a	regular meeting
held this 5th day of April	, 2022.
Authenticated by the presiding officer and Clerk of	
the Commission on 7th day of April	, 2022.
Filed with the Clerk April 7	, 2022.
Mayor Teri Johnston	Yes
Vice Mayor Sam Kaufman	Yes
Commissioner Gregory Davila	Yes
Commissioner Mary Lou Hoove	r Yes
Commissioner Clayton Lopez	Yes
Commissioner Billy Wardlow	Yes
Commissioner Jimmy Weekley	Yes /
	Ina And
ATTEST:	HNSTON, MAYOR

CHERYL SMITH, CITY CLERK

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