



## THE CITY OF KEY WEST

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# EXECUTIVE SUMMARY

**TO:** Jim Scholl, City Manager

**FROM:** Doug Bradshaw, Port and Marine Services Director

**CC:** Sarah Spurlock, Assistant City Manager  
Greg Veliz, Assistant City Manager

**DATE:** February 11, 2016

**SUBJECT:** Approval of a five (5) year Charterboat Dockage Agreement at City Marina at Garrison Bight

### **ACTION STATEMENT:**

Approval of a five (5) year Charterboat Dockage Agreement at City Marina at Garrison Bight

### **BACKGROUND:**

In August 2015, the City began working with the Charter Boat Association (CBA) along with their attorney Cara Higgins on a new five (5) year Charterboat Dockage Agreement between the City of Key West and the 34 charter boats at City Marina at Garrison Bight. There is a mixture of charter boat sizes with a majority being off shore boats averaging 35 feet, two (2) head boats averaging 60 feet, and seven (7) light tackle boats averaging 28 feet. The current agreement expired on September 30, 2015 and the City and the charter boats are operating on a month-to-month lease. The new lease addresses several concerns that both the City and the CBA had with the previous lease. Major concerns that were addressed include rate increase, collection of advertising fee, maintenance of docks, dock storage, signage, and charter booking.

### Major Provisions of the lease:

- Proposed start date: March 1, 2016 with a base rate increase of 0.2% (CPI) to \$19.11 per foot. Current rate is \$19.07 per foot
- Five (5) year lease
- Annual Rate Increase by the average change in the U.S. Department of Commerce Consumer Price Index (CPI) for All Urban Consumers
- \$1 per foot capital improvement assessment
- \$50 per month advertising fee (paid back to CBA quarterly for use in promoting the charterboats)
- Allowance of fish racks and rod storage lockers at each slip
- Allowance of prorated dockage fee if docks become unusable
- A violation section that allows City Manager to impose fines for charterboats that consistently violate the lease

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

EXECUTIVE SUMMARY

**PURPOSE & JUSTIFICATION:**

The purpose is to approve a five (5) year dockage agreement between the City and charterboats at City Marina at Garrison Bight. This allows not only the City to be able to set their budget annually based on expected revenue but also allows the charterboats to set their budgets based on known expenses.

**OPTIONS:**

1. The City Commission can approve the lease.
2. The City Commission can approve an amended lease.
3. The City Commission can disapprove the lease.

**FINANCIAL IMPACT:**

Currently the marina collects approximately \$300,000 in gross revenue from the Charterboat dockage fee. There will be an increase in the revenue annually of CPI. The annual amount collected for capital improvements is \$13,000. The marina collects \$21,150 in advertising fees but this is paid back quarterly directly to the Charter Boat Association.

**RECOMMENDATION:**

City Staff recommends that the City Commission approve the lease.