

State of the City of Key West

Delivered By: Mayor Craig Cates, 2018

I am very proud of our community's accomplishments as I deliver my 9th and final State of the City Address to the Citizens of Key West. When I first took office as Mayor in 2009, we had a vision and goals for Key West. Now those things are a reality and in the final stages of completion. I am happy to reflect on all of the wonderful things our city has done in 2017 and what 2018 has in store for our amazing little island. What an incredible wrap up for my tenure as Mayor of Key West.

This past year was packed full of major projects. We started the calendar year moving into the new Josephine Parker City Hall at the Historic Glynn Archer School. We completed the Amphitheater in 2017 to a point that it was able to serve the public, despite the damage caused by Hurricane Irma. We renovated The Douglas Gym and opened the doors to the children and families of our community. We cut the Ribbon on a multigenerational Cozumel Park complete with turf field and water feature and we implemented the Duval Loop. We had substantial completion of phase 1 and started phase two of the Truman Waterfront Park, a project almost two decades in the making.

With all the projects we finished in 2017, and those we will start and finish this year, we must remember how we were able to have so much success. We accomplished all this by having a City Commission that works together and works with the community to improve our quality of life. We came up with ideas, worked through the details, saved our money for the projects and made them a reality. We built a new sexton's house, a new maintenance facility on Stock Island, an impressive Veterans Memorial Garden at Bayview Park, we rebuilt Cozumel Park, we built a new fire station and parking lot at Angela Street, reconstructed Douglass Gym, restored a historic building to serve as our New City Hall, we are developing the Truman Waterfront Park and have built a world class Amphitheater at Truman Waterfront; all of this without borrowing any money.

We have all City departments staffed with hard working, community minded employees that take pride in their work. The City of Key West is financially sound. Our economy is strong and our future looks better than ever. We have not had to raise taxes. We have worked with our business community to ensure their success. We have seen our property values continue to rise even after being impacted by hurricane Irma. We've made Key West safer as crime has gone down for the last 9 years. We have a cleaner Key West since we have expanded our public works department, we've improved our public areas and expanded services where necessary. We have improved many of our parks and sports fields. All around we are still moving in a positive direction.

Our partnerships with the school district and the county allows us to better serve our residents with more options to choose from and sharing of new and better facilities and space. From sharing city hall with the school district to sharing Bernstein park with the county communication, cooperation and partnerships will allow us to keep the best interests of our residents at the forefront.

With all the accomplishments came a variety of challenges. We continued to tackle many long term issues like lack of affordable housing, trying to keep taxes low, supporting local businesses, protecting our quality

of life and moving things forward in a positive direction. Then came Hurricane Irma. The most destructive and dangerous hurricane to hit the Florida Keys in decades.

Irma multiplied the already challenging aspects of our day to day trials to a degree that seemed unbearable at times. Key West residents suffered damage to their homes, boats, landscaping and their businesses. A large number of Lower Keys housing was destroyed, local businesses suffered from loss of revenue and subsequent loss of employees. Fortunately 80 % of the residents had evacuated in the face of possibly being hit by a deadly category 5 hurricane. After the storm passed the City employees went right to work along with, Keys Energy, Aqueduct Authority, local businesses and the Navy to start clearing roads and restoring services. Help and resources started arriving quickly from the military, FEMA and the National Guard. As soon as it was safe we allowed residents to start returning with 10,000 returned the first day to start putting their hometown back together. With this community pride, work ethic and determination we were able to recovery quicker than most. This community spirit is what makes Key West paradise, the place we love to call home.

We will come to a cross roads this year. We will be electing a new Mayor and there's a possibility of three new commissioners. This will be the first new Mayor in 9 years, so this will be a very important election for the future of Key West. Everyone needs to be involved, whether it's running for office or asking questions of the candidates. We must keep our awesome community moving forward, working together and continue to protect our history, our economy and our Quality of Life.

We ended with a 2017 with major projects being completed and recovering from the impacts of hurricane Irma. We worked together as a Community to accomplish a lot of great things. We now start 2018 full of optimism and with a community that is still working together to keep Key West our Paradise.

2017 Accomplishments:

Finance:

Managed a General Fund Budget of over \$63 million dollars (actual amount \$63,662,380.00) with funding sources which include taxes, License & Permit fees, Intergovernmental Revenue, Charges for Services and Fines & Forfeitures

Managed an overall budget of over \$174 million dollars. (actual amount \$174,977,219.00)

Only \$15,263,969 was collected from property tax (supporting low property taxes for our residents)

Received the Government Finance Officers Association Award for Excellence in Financial Reporting for the 32nd consecutive year.

Assisted in achieving "rollback" tax rate in 2017 for the 2018 budget cycle.

Managed a general ledger which includes 18 funds:

1. 001 General Fund – 63,662,380
2. 101 Infrastructure Surtax Fund – 12,429,367
3. 102 Internal Improvement Fund -5,278,127
4. 103 Fort Taylor Surcharge Fund – 1,780,300
5. 104 Affordable Housing Fund – 484,500

6. 110 Community Fund – 349,827
7. Transportation Alternative Fund 111 - \$682,396

8. 172 Law Enforcement Trust Fund – 93,752
9. 303 Capital Projects Fund – 1,813,543
10. 601 Bahama Village TIF Fund – 1,651,587
11. 603 Caroline TIF Fund – 1,407,411
12. 401 Sewer Fund – 22,441,905
13. 402 Stormwater Utility Fund – 6,650,217
14. 403 Solid Waste Fund – 18,402,333
15. 405 Key West Bight Fund – 14,625, 960
16. 411 Transit System Fund – 4,468,364
17. 413 Garrison Bight Fund – 3,373,637.
18. 502 Insurance Program Fund – 14,102,503

Building:

After Irma on September 9th, we issued over 800 Emergency Permits in September, October and November, free of charge

- Key West has been re-instated into the FEMA Flood Insurance Discount Program and we worked very closely within FEMA guidelines in recovery clean-up after IRMA

- We are down-sizing our inspection vehicles from Ford F-150s to Toyota Priuses, going from an average mpg of 7 mpg to 40 mpg

- We are very close to implementing a paperless permitting application and inspection process in 2018

Engineering:

90% Completion on Key West Amphitheater
of Phase 1 of Truman Waterfront Park, with completion scheduled for June 2018
Significant progress of Douglass Gym (Opened doors February 2018)

Currently active engineering projects:

- Focused on completing Truman Waterfront Park Phase 1A and Amphitheater including implementation of design improvements to enhance facility operation and enhance user experience.
- Amphitheater completion scheduled for February 2018 and Phase 1A June 2018.
- Major building projects included Fredrick Douglass Gym, complete February 2018.

- Four Engineering staff stayed on board for Irma, supporting EOC operations, street clearing and debris removal, electrical generator operations & maintenance, damage assessment, coordination with military responders, etc.
- Established collateral position of City Energy Manager.
- Continued with Right-of-Way improvements to roadway pavement, sidewalks and gravel shoulders including Southard Street.
- Ongoing shorefront projects include NOAA Seawall, new Smathers Beach Bathroom and completion of Zero Duval Seawall and Mallory T-Pier improvements.
- Continue to support Navy in-kind projects including new Outer Mole Pier Entry Control Point.

Fire Department and EMS:

- 7095 total calls for service
- 511 EMS calls for service
- 3847 EMS Transports
- Switched to APX Radio System, to improve communications
- Graduated 17 KWFD firefighters through Paramedic training
- Graduated 20 KWFD firefighters through UASR Rope Rescue and Vehicle Extrication training
- Over 100 training certificates acquired by personnel
- Graduated 15 KWHS students through Fire Academy training
- The Division of Emergency Management played a major role the the response and recovery effort leading up to, during and following Hurricane Irma.

Community Services:

2017 was a very big year for the Community Services Department, some of that was planned and some of it was not.

The completion of the renovation and restoration of Cozumel Park was a major undertaking for the Community Services Department, and it was a huge success. The basketball court was refinished, all new playground equipment was installed, a bathroom was added to the park, and an artificial turf field was included in the park. Also, the City added its first splash pad to Cozumel Park. The splash pad was a major undertaking including the installation of a 20,000-pound underground tank and the pump/filter and plumbing to run an 11-feature splash pad. All the hard work was worth it, as the splash pad has become an overwhelmingly popular activity for the children and parents of Key West.

Big improvements were also done to Poinciana Field. The sidewalk was removed and new sod put down. This gave new and additional field space to youth soccer. The City is always looking to provide additional field space and this was a great opportunity to do just that without any major disruption to the use of the field.

The holiday wreaths on the street lamps are a local favorite. This year we were able to purchase and wire wreaths to complete Duval St and Caroline St. This made for a very festive appearance for the downtown area.

One of the most astounding accomplishments of the Community Service Department was the work done in the aftermath of Hurricane Irma. The hard work and dedication the workers put forth was nothing short of incredible. The main thoroughfares in the City were cleared by noon the day after Irma hit. All roads were passable within 2 days after the storm. The Community Services Department worked tirelessly and selflessly to get the City of Key West back up and running. Community Services kept vehicles fueled and running for all agencies, as well as keeping generators running and fueled. They accomplished all of this and more while staying through the storm and being away from their families. Never was there a time to be more proud of the Community Services Department than during this event.

The Community Services Department is committed to doing everything it can to maintain and improve the great City of Key West, and we look forward to continuing to do so in 2018.

CITY CLERK:

- Prepared City Commission meeting agendas for 27 Commission meetings and workshops
- Prepared Board of Adjustment (BOA), Caroline Street Corridor and Bahama Village Community Redevelopment Agency (CRA), and Naval Properties Local Redevelopment Authority (LRA) meeting agendas for 19 meetings.
- Attended 81 hours of City Commission, BOA, CRA, LRA meetings and workshops
- Attended and participated in 21 hours of the City Manager's agenda setting
- Administered and attested to 313 Resolutions and 16 Ordinances
- Administered 28 calls for bids
- Administered 10 Domestic Partnerships
- Administered approximately 600 hours of research for Public Record Requests
- Administered 40 hours preparing agendas and minutes for the City Commission, BOA, CRA and LRA
- Administered 250 hours preparing agendas, minutes and attending meetings for Arts in Public Places (11 meetings), Bahama Village Redevelopment Advisory Committee (5 meetings), Historic Architectural Review Commission (11 meetings), Key West Bight Management District Board (11 meetings), Planning Board (11 meetings), Sustainability Advisory Board (7 meetings), Tree Commission (11 meetings) and Truman Waterfront Advisory Board (11 meetings)
- Administered 100 hours of training for the Legistar paperless agenda, Imaging software

(Optiview) and new public record requests softwareClerk more than 12 boards on an ongoing basis:

- Key West Bight Board
- Pension Board
- Tree Commission
- HARC
- AIPP

- BVRAC
- TWAB
- Sustainability Advisory Board
- BOA/LRA/CRA
- Contractor's Examining Board
- Key West City Commission

IT:

- Implemented new One Solution payroll system
- Configured and deployed 18 desktop computers
- Relocated City datacenter to new City Hall location
- Deployed a new mobility VPN server for City mobile devices
- Setup public wi-fi at Bayview Park
- Reconfigured Key West Bight network during construction
- New software programs started to replace software for Building, Licensing, Code Compliance, Planning, and
- Engineering Departments
- Configured and deployed 18 new GETAC public safety laptops
- Completed public safety OSSI software upgrade project
- Configured and deployed 11 laptop computers
- Replaced 72 new PC monitors
- Replaced 30 new PC UPS devices
- Completed CJIS audit conducted by Florida Department of Law Enforcement
- Provided 24/7 support for EOC operations during Hurricane Irma
- Redesigned City web site
- Completed 6,672 service tickets; and 184/144 events

CODE:

During the past fiscal year, the Code Compliance Department received and investigated approximately 1,586 complaints with the following being the top five:

1. 225 for unlicensed/delinquent business tax receipts.
2. 228 for building without permits or building beyond the scope of a permit
3. 211 for obstruction of streets.
4. 135 for leaving trash bins on City right of way.
5. 113 for general complaints.

This past year Code Compliance continued the proactive investigations of short term, (transient) rental complaints, which totaled 109 complaints. The Department working with the City's GIS Coordinator developed a computer program to track and identify the locations of illegal transient rentals. This

program was very successful and now the Monroe County Tax Collectors Office has the same program, which has resulted in the Tax Collector collecting more in bed taxes.

Some other accomplishments the Code Compliance Department achieved were;

Conducting a Citywide post Hurricane Irma damage assessment, that assisted the City's FEMA Coordinator in submitting the approximate total cost of the damage sustained by property owners. The continued proactive investigation of complaints regarding FEMA issues and working in conjunction with the City's Flood Plain Manager in assisting our community achieve compliance with FEMA violations.

Continued proactive compliance efforts regarding unpaid and/or delinquent business tax receipts. The Licensing Department provided Code Compliance 354 business that were delinquent with payment for their business tax receipts as of September 30, 2016 only 5 businesses are delinquent. This compliance effort resulted in the City collecting \$32,450.70 in revenue.

HR:

The following service awards were presented:

Employee Development/Recognition

- 33 Five year anniversary awards
- 28 Ten year anniversary awards
- 10 Fifteen year anniversary awards
- 4 Twenty year anniversary awards
- 3 Twenty-five year anniversary awards
- 5 Thirty year anniversary awards

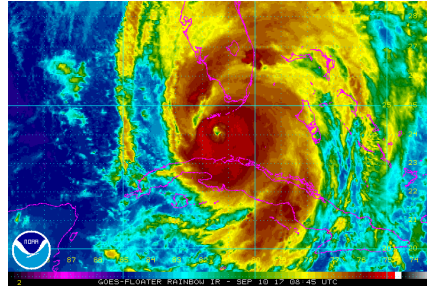
TRANSPORTATION:

- Launched fare-free Duval Loop circulator servicing Caroline and Duval corridor
- Provided fare-free mass evacuation services for the Florida Keys to hurricane shelters in Miami
- Provided transportation for the U.S. Navy hurricane relief personnel and FDOT road repair crews after Hurricane Irma.
- Provided community shuttle trips, including New Year's Eve and Fantasy Fest "Safe Ride" Shuttles, also assisted Key West High School with their fundraiser.
- New enhanced bus shelter and bike rack installed on North Roosevelt and Stock Island.
- The bike racks installed on the buses servicing the Lower Keys Shuttle, continue to be a successful route enhancement for the passengers using bikes in conjunction with their use of Key West Transit services.

PARKING:

- Raised parking fees that have provided funding for the successful Duval Loop, New Truman Waterfront Park Maintenance; and Affordable Housing trust fund.
- Provided parking support for events at the new Amphitheatre.

- Ensured City resources were protected before Hurricane Irma landfall and assisted after with detailed damage assessment for reimbursement from FEMA for signs, sidewalks, and other damage in City's Right of Way.



HURRICANE IRMA SPECIAL REPORT

In the face of this disaster, the residents of this community pulled together. The hardworking employees of the City of Key West took the spotlight and stood with resolve, determination and really proved what a great team we have running our island. The term “Keys Strong” could be heard everywhere, and Key West lived it in the days following Irma showing unparalleled resolve and work ethic.

The EOC Team:

- Craig Cates, Mayor
- Billy Wardlow, Commissioner
- Jim Scholl, City Manager
- Shawn Smith, City Attorney
- Cheri Smith, City Clerk
- Greg Veliz, Assistant City Manager
- Marcus Davila, Director Community Services
- Jim Bouquet, Director Engineering
- Mark Finigan, Director Finance
- Patti McLaughlin, Director IT
- Samantha Farist, Director HR
- Doug Bradshaw, Director Marine Services
- John Wilkins, Director Parking
- Rod Delostrinos, Director Transit
- Mike Davila, Fire Chief
- Alan Averette, Division Chief
- Kenny Wardlow, Division Chief
- Ron Wampler, CBO
- Steve McAlearney, Sr Project Manager
- Todd Stoughton, Risk Manager
- Gary Volenec, City Engineer
- Scott Fraser, FEMA Coordinator

Brett Wright, Facilities Maintenance Supervisor
Terry Justice, Project Coordinator
Dave Sermak, Purchasing Agent
Matt Willman, GIS Analyst
Tim Anson, Fireman
Pedro Arencibia, Fireman
Colton Butler, Driver/Engineer
Jesus Castillo, Fireman
Steve Gurnicz, Fireman
Kory Rodriguez, Fireman
Vincent Vega, Fireman
Tom Bliss, Heavy Equipment Operator

The Timeline:

Hurricane Irma Timeline:

Sept 5: Local Emergency declared

Sept 6: County calls mandatory evacuation for visitor and then residents for Sept 7th

Sept 10: Hurricane Irma strikes the Keys

Sept 11:

- FDLE checkpoint established
- 22 bridges preliminarily cleared, 2 sections of US 1 affected
- FKAAs start up water in KW for 2 hours
- City established analog phone line
- Assets begin flowing, National Guard, military
- Keys Energy assesses: transmission line “looks good.” Heavy damage otherwise, predicting outages anywhere from a week to ten days
- Curfew established Keyswide

Sept 12:

- First flight into Marathon occurred last night
- Jail not ready; Trauma Star to arrive today
- Distribution sites started at Searstown and Fort St soccer field.
- Additional checkpoint established at mm 81
- FKAAs: KW has two hours of water
- Air National Guard arriving today
- LKMC open for critical; MASH unit stood up at FKCC
- Miami Dade Mayor Jimenez arrives in KW

Sept 13:

- USAR efforts underway in Lower Keys
- USS Iwo Jima staged offshore KW
- Debris push underway

- KEYS estimates 300 poles down; up to 7%
- FDOT has repaired Sea Oats, deems US1 safe for emergency response travel

Sept 14:

- Both airports 100% for emergency response
- KEYS established power to Senior Center, hospital, airport and grocery stores
- Traffic lights beginning to come up
- FKAA established 2 two-hour times for KW water; no water from 7-mile bridge to Stock Island; water is for sanitation purposes only. BOIL ONLY. Dispensing potable water at water tanks.
- NAS receiving support
- USCG established safety zone around Key West; channel remains closed
- PODS up
- Waste Management established trash container pickup
- Sheriff Ramsay gives casualty total as 8 storm-related deaths
- KEYS: still to communications. Up to 16% for KW, Stock Island and Key Haven
- Soup Kitchen on Flagler opened at 1 p.m.
- Waste Management set up 3 dumpsters for spoiled food

Sept 15:

- Governor Scott visits Key West for round table needs assessment
- Public and Winn Dixie open for limited hours
- Connectivity increasing; Verizon has arrived as well as AT&T
- Stock Island and Key Haven have water flowing 24/7; KW extended water times 10-1 and 5-10
- FEMA center opened for registration
- KEYS removing damaged transmission pole in Cow Key Channel
- Airports lifted general aviation restrictions
- FKAA provides three times for sanitation water in KW

Sept 16:

- Limited resident reentry begun; Upper Keys then lower
- Northbound lanes of US 1 closed to remove damaged pole
- FKAA hours remain the same in KW

Sept 17:

- Empire State arrives in harbor to house emergency workers; port remains closed
- Schools shooting for Sept 25th reopen

- LKMC ER is fully functional
- Salvation Army serving hot meals
- 21 neighborhood checkpoints being established in the Keys
- KEYS: Good progress in KW
- USCG lifts restrictions one notch

Sept 17:

- Water schedule remains
- KEYS making progress; timing a planned outage of 4 hrs
- Resident reentry closed down at 8 p.m.
- NWS watching Hurricane Maria
- Grayhound begins service

Sept 18:

- Bus service to return evacuees and special needs patients
- LKMC looking to begin in patient services tomorrow
- City begins issuing emergency permits and holds contactors' meeting
- US mail delivery begins
- Congressman Carlos Curbelo visits
- Countywide fire ban issues

Sept 19:

- Navy escorts mooring field boat owners to inspect vessels and retrieve personal items
- MCSO dissolves Florida City checkpoint
- No swim order issued by the health department
- KW PODS will remain in service until Sunday
- Schools issue staggered schedule to reopen
- City plans budget hearings
- Transfer station waives fees to residents
- TSA inspection today; airport plans first commercial emergency flights for Thursday
- KEYS: most of the outages are in Lower Keys
- Hospital fully operational

Sept 20:

- First cruise ship discussed
- Army Corp clearing channel
- PODS end today

- FCAA: most water on 24/7
- Keys up to 75%
- DMAT decommissioned

Assets being relocated to lower keys

Sept 21:

- Lower Keys Shuttle starts up, waived fare
- Convalescent Center residents returned
- Sunday cruise ship confirmed
- Keys 85% restored

In summary, the City of Key West was back to 85% Restored after a Category 4 Hurricane within an 11 day window. Key West was open to receive tourists within weeks after the storm so that our workforce could get back to being employed and making an income and employers could save their businesses with the least amount of loss of revenue.

We walked away from this Category 4 Hurricane with a wealth of knowledge. The following are what I deem as top priorities to address:

1. Loss of Communication

We loss all communication, no cell phones, phone lines or internet.

Cell towers were not damaged but equipment buildings and power system and backup systems. Should add satellite phone and internet for backup.

Analog phones worked but no government numbers were posted for the analog lines so no one could call the government.

-Satellite, Power, Analog

2. How to Organize Relief

Have a representative of the City organize a directory of non-profits, volunteer groups and faith base organizations that can help with feeding the residents. Right after the disaster help will start coming from many organizations and volunteers. They have to have local organizations to work with and direct to where help is need the most. The City cannot manage all these relief efforts. When the supplies come in they must be stored and distributed to the needy and the City doesn't always have the space and personnel to handle all of it. This thanks volunteers and direction with local knowledge. These volunteers and supplies must be organized in a timely manner or they will be lost.

-EOC organizes high level like FEMA, Etc.

-Need help to organize grass roots efforts like: Supplies, donations, Trucks & Tractor Trailers, volunteers, Churches, non-Profits, philanthropists

3. Debris Clean-up

Lay down yard agreements before the storm, without them debris has to be moved several times because debris can't be moved long distances each pick up. Survey all damage and make decision on which areas to clean first.

- Don't move it twice

4. Evacuation & Return

- EVACUATION -Fuel Shortage?
- RETURN residents. Must have hospital, water and electric, fuel and grocery stores.

5. Loss of Housing

- Inventory wiped out lower keys
- Wiped out houseboats and live-aboards in Key West