


MEMORANDUM

To: Mayor Westover and Members of the Assembly
Jim Dinley, Municipal Administrator

From: Michael Harmon, P.E. Public Works Director 

Reviewed: Jay Sweeney, Finance Director 
Tammy O'Neil Contract Coordinator

Date: February 22, 2012

Subject: **Transit Services RFP for Marine Passenger Fee Fund
Old Sitka Dock to Centennial Hall or O'Connell Bridge parking area**

Background:

Halibut Point Marine (HPM) constructed a deepwater dock (Old Sitka Dock) at their marine haul out facility on Halibut Point Road. HPM submitted a proposal to CBS to consider using a portion of the Commercial Passenger Excise Tax (CPET) funds to support transportation of cruise passengers between Old Sitka Dock and Centennial Hall or O'Connell Bridge parking area. On November 29, 2011 the Sitka Assembly approved the "Old Sitka Dock Improved Passenger Access Project" proposal with amendments. To date, HPM has not been able to secure a commitment from cruise line(s) to dock at their facility; however they continue to pursue such an agreement.

Public Works has incorporated direction provided by the Assembly on January 24, 2012 into a RFP to obtain a transit service provider to transport cruise ship passengers from the Old Sitka Dock to Centennial Hall or O'Connell Bridge parking area.

Recommendation:

Approve the Request for Proposals for Transit Services between Old Sitka Dock & Centennial Hall or O'Connell Bridge parking area and authorize the Administrator to advertise the Request for Proposals.

REQUEST FOR PROPOSALS (RFP)
by
THE CITY AND BOROUGH OF SITKA, ALASKA
for
TRANSIT SERVICES BETWEEN OLD SITKA DOCK & CENTENNIAL HALL
OR O'CONNELL BRIDGE PARKING AREA

A. Overview

The City and Borough of Sitka (CBS) wishes to hire a licensed passenger transportation company (Contractor) to provide free cruise passenger and crew member transit services between Old Sitka Dock and Centennial Hall or O'Connell Bridge parking area for the 2012 cruise ship season. The contract will be awarded to the qualified Contractor which charges the lowest fee for this service. Background information and specific contract requirements follow.

B. Background

Halibut Point Marine (HPM) constructed a deepwater dock (Old Sitka Dock) at their marine haul out facility on Halibut Point Road. HPM submitted a proposal to CBS to consider using a portion of the Commercial Passenger Excise Tax (CPET) funds to support transportation of cruise passengers between Old Sitka Dock and Centennial Hall or O'Connell Bridge parking area. On November 29, 2011 the Sitka Assembly approved the "Old Sitka Dock Improved Passenger Access Project" proposal with amendments. To date, HPM has not been able to secure a commitment from cruise line(s) to dock at their facility; however they continue to pursue such an agreement.

C. General Contract Requirements

The goal of CBS and HPM is to provide safe and efficient transit services for cruise passengers and crew members between Old Sitka Dock and Centennial Hall or O'Connell Bridge parking area. The services will be required continuously to and from Old Sitka Dock and Centennial Hall or O'Connell Bridge parking area throughout each day while a vessel is berthed at Old Sitka Dock. Designated pickup/drop off areas will be identified by CBS and HPM at their respective properties. The Downtown drop-off location (Centennial Hall or O'Connell Bridge parking area) will be determined by the Harbormaster in consultation with the vessel agent. Typically the location will be the location not used by a lightering cruise ship. Contractor's shuttles must not block traffic to drop off or pick up passengers at non-approved locations. Contractor shall be required to keep an accurate count of both revenue passengers and crew members for each shuttle trip. Minimum level of service shall be as follows:

- The services will be required continuously to and from Old Sitka Dock and Centennial Hall or O'Connell Bridge parking area throughout each day while a vessel is berthed at Old Sitka Dock.
- Maximum cruise passenger and crew member waiting time shall not exceed 15 minutes at either location.
- The contractor shall provide ADA accessible shuttles and provide assistance to ADA passengers as needed to help load and unload the ADA passengers.
- The final shuttle departing from Centennial Hall or O'Connell Bridge parking area at the end of the day must arrive at Old Sitka Dock prior to the cutoff time specified by the ship.

That time must be identified and posted in the front of each shuttle in plain sight at the start of each day.

- Contractor shall provide a customer support liaison at both the Old Sitka Dock and the Centennial Hall or O'Connell Bridge parking area to coordinate loading and unloading. The customer support liaison shall provide onshore support to organize the vehicle cuing and coordinate the passenger loading and unloading.
- While traveling to and from the Old Sitka Dock advertisement for third party tours and other third party activities are not allowed on the shuttle vehicles.
- The selected transportation company has 30 days to obtain State of Alaska and USDOT licenses required to operate an interstate passenger transport company. In the event of failure to obtain the required licenses within the 30 day time limit the City and Borough of Sitka (CBS) may declare the selected transportation company in breach of the agreement effected by the acceptance of the bid. The bid guarantee will be forfeit and the CBS may award the contract to the next lowest responsible bidder.
- Contractor shall provide a report of the number of passengers and crew transported each trip.

Penalties may be assessed for the Contractor's failure to meet the level of service requirements.

- \$50 per passenger that exceeds the maximum 15-minute waiting time.
- \$100 per passenger or crew member delayed by the Contractor from arriving at Old Sitka Dock by the cutoff time specified by the ship.
- \$1000 per passenger or crew member delayed by the contractor from arriving at the Old Sitka Dock prior to the ship sailing for any reason whatsoever. In addition to the \$1000 penalty the contractor is responsible for but not limited to all costs of lodging, cab fares, shuttle service, meals, and incidentals including a change of clothing and scheduled airline transportation of the passenger to the next port of call for the cruise ship.

If this is not possible due to airline schedule or Sitka was the last port of call of the cruise ship the passenger will be returned to the cruise ships final destination no later than the scheduled arrival by the cruise ship. If the arrival is delayed such that the passenger's connections are missed the contractor will pay for any additional costs associated with rescheduling the passenger to their final destination including but not limited to lodging, cab fares, shuttle service, meals and incidentals. The contractor is also responsible for collecting the passenger's luggage from the cruise ship and delivering it to the passenger prior to departure from the final cruise ship destination.

This contract will be awarded to the Contractor charging the lowest fee for this service. The Contractor's Bid Proposal Rate must not exceed \$3.00 per revenue generating passenger. The number of revenue generating passengers on each ship is reported in a certified letter upon sailing. The CPET funds are allocated to each community based on the number of revenue generating passengers. Currently, HPM estimates that 90% of passengers will disembark each vessel berthed at Old Sitka Dock. For the purposes of this contract, the debarkation rate shall be defined as 90% of the certified revenue generating passenger count. The following formula shall be used as the basis of payment to the Contractor:

Debarkation Rate (90%)	X	Number of Revenue Generating Passengers	X	Contractor's Bid Price (\$3.00 MAX)	=	Payment to Contractor
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The Contractor will be paid on a monthly basis based on the number of revenue generating passengers arriving at Old Sitka Dock during the previous month. It will be the Contractor's responsibility to collect and provide CBS with the certified letter from each ship detailing the number of revenue passengers and provide the required passenger and crew member counts with each request for payment. If no cruise vessels berth at Old Sitka Dock, no payment will be made to the Contractor.

If multiple low bids are submitted, the contract will be awarded to the Contractor best qualified to provide the service based on the scoring criteria identified in Section D of this RFP. The contract will be for one (1) year or cruise ship season. With mutual agreement, two (2) additional one-year extensions may be awarded for the 2013 and 2014 cruise ship seasons respectively. The debarkation rate used in the payment formula may be adjusted in each additional year based on the actual rate documented by prior seasons.

The Contractor is required to maintain insurance for the life of the contract. The limits of liability for the insurance required shall provide coverage for not less than the following amounts or greater where required by Laws and Regulations:

1. Worker's Compensation – Minimum Limits:
Employer's Liability and Worker's Compensation – Statutory as required by Alaska Worker's Compensation Statutes.
U.S. Longshoremen & Harbor Workers' (USL&H) if required
2. Comprehensive General Liability – Minimum Limits:
Single Limit \$5,000,000
Aggregate \$10,000,000
3. Comprehensive Automobile Liability – Minimum Limits:
Bodily Injury and Property Damage, including all owned, hired and non-owned vehicles -
\$5,000,000

D. Requirements for Proposal

Contractors submitting proposals must include the following information:

1. A letter of interest signed by an authorized representative of the Contractor.
2. A narrative describing the Contractor's experience with operating and maintaining a passenger transportation company.
3. Completed Bid Form (see attached) indicating Contractor's bid price not to exceed \$3.00 per revenue generating passenger.
4. A copy of current Alaska Business License.
5. Spreadsheet detailing transit vehicle fleet to include make, model, year, mileage, passenger capacity, and ADA capabilities of each vehicle. Table should include all available transit vehicles including subcontractors (if applicable).

6. Operational plan and proposed daily schedule. For the purposes of this proposal, the plan should assume typical port call duration from 7AM to 5PM. The plan should identify rotational and operational schedules for pickup and drop-off, emergency backup plans in the event of equipment breakdown, and Customer Care Policy (CCP). The CCP should cover what information will be presented and displayed to the passengers that may impact their experience in Sitka. The CCP should address how passengers will be taken care of if they miss their ship, have an emergency or medical need, smoking policy, etc.

In the event of two low bidders, responses to this RFP will be evaluated and ranked based on the following criteria (100 points total):

1. Contractor's overall qualifications and experience (20 points)
2. Vehicle fleet (20 points)
3. Operational Plan (60 points)
 - a. Operations, emergency plan, etc. (20 points)
 - b. Schedules (20 points)
 - c. Customer Care Policy (20 points)

E. Submissions and Inquiries

Sitka encourages disadvantaged, minority, and women-owned Contractors to respond.

Submit four (4) copies of your Proposal to:

City and Borough of Sitka, Municipal Clerk
100 Lincoln Street,
Sitka, Alaska 99835

Proposals will be received until **Friday March 30, 2012 2:00 p.m. local time.**

Any questions regarding this project should be directed to Stephen Weatherman, P.E., Municipal Engineer, at stephen@cityofsitka.com, (907) 747-4042.

Dates of Publication:

Sitka Daily Sentinel:	3/5, 3/7, 3/9 & 3/12
Juneau Empire:	3/5, 3/7 & 3/9

BID FORM

In submitting this bid, the bidder certifies that they have examined the RFP documents. If awarded a contract under this bid, the bidder agrees to the terms set forth in the bid Contract documents and all addenda identified on this bid.

CONTRACTOR'S BID PRICE PER REVENUE GENERATING PASSENGER*
\$ _____

***Not to exceed \$3.00/ revenue generating passenger**

Firm Name: _____ Representative: _____ Title: _____

Address: _____ City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____ E-Mail Address: _____

By signing below the Bidder verifies that he/she is an authorized representative of the above firm and that all information presented is accurate. Furthermore the bidder agrees to abide by all terms set forth in this RFP document.

Signature: _____ Date: _____

I hereby acknowledge receipt of the following Addenda:

Addendum No. _____ Initials _____

Addendum No. _____ Initials _____

A motion was made by McConnell that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 6 - McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

No: 1 - Westover

K **12-16**

Discussion/Decision on the recommended framework for the Transit Service RFP for Marine Passenger Fee Fund Project Old Sitka Dock to Centennial Hall.

Connie Sipe, Executive Director of Center for Community, urged the Assembly to support public transit and look for a way to include public transit in this service. She noted Sitka was the only town in Alaska that did not contribute dollars to it's public transit system.

Ken Creamer spoke against cruise ships docking at the Halibut Point Marine facility. He stated there would be a decrease in lightering fees.

Chris McGraw, representing Halibut Point Marine, came forward to explain the current facilities in place. Holland America visited the facility in October 2011 and was satisfied.

Assembly members further discussed the RFP framework.

A motion was made by Reif for the RFP framework to include providing crew transportation at no additional cost - for free. The motion PASSED by the following vote.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

A motion was made by Christianson to direct staff to develop an RFP using the document provided with the addition of a second RFP to include public transportation. The motion PASSED by the following vote.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

L **12-13**

Discussion of proposed changes to the Sales Tax code.

Administrator Dinley explained in order to prepare a balanced FY13 General Fund budget some changes would need to be made to the Sales Tax Code. He asked the Assembly to provide direction.

One exemption the Assembly discussed in detail was the sales cap tax. The recommendation to the Administrator and staff was to bring forward a proposal that would raise the cap to \$5000 and use Juneau's code as a model.

The second exemption discussed at length was senior sales tax. A recommendation was made for the Administrator and staff to pursue a rebate program with the rebate amount to be determined. The rebate would be issued two times a year and proof of Sitka residency would be required. The individual would need to be 70 years old to qualify for the exemption.

M **12-17**

Discussion of Business License requirements for businesses.

Administrator Dinley and Finance Director, Jay Sweeney, explained the idea of implementing a business license requirement for all businesses operating in Sitka. The primary purpose would be to ensure collection of sales taxes and compliance with existing law.