

POSSIBLE MOTION

I MOVE TO approve proceeding with a Request for Proposals for the Cruise Ship Passenger Transit Services between Old Sitka Dock and Harrigan Centennial Hall parking area for FY21 and FY22.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Gary Paxton and Assembly Members

From: Hugh Bevan, Interim Municipal Administrator *HB*

Date: December 2, 2019

Subject: Cruise Passenger Transit Service

Background

In December 2016 the Assembly approved a \$150,000 appropriation from the Marine Passenger Fee Fund for the purpose of supplementing the costs of a private sector passenger bus service. The bus system transports cruise ship passengers from Old Sitka Dock to Harrigan Centennial Hall.

The contract expires on June 30, 2020.

Attached is a draft Request for Proposals that extends the transit services for an additional two years.

Analysis

Every year Sitka receives funds from the State that are collected under the State's Cruise Passenger Excise Tax. (CPET). Over the past two years Sitka has received about \$450,000 per year. A December 2016 court decision greatly narrowed the allowable uses of CPET funds. The monies must be used to directly benefit cruise ships and their passengers.

In 2010 CBS developed a Master Plan for CPET projects. The process that developed the plan included input from cruise industry people. Sitka's proposed uses of CPET funds were well received during the planning process.

Fiscal Note

The 2016 appropriation of \$150,000 was based upon the arrival of 140,000 cruise passengers. This equates to a supplement to the passenger bus operator of \$1.07 per passenger (\$150,000/140,000).

We propose to carry the \$1.07 supplement forward into the next contract with a higher total amount because total cruise passenger loads are expected to increase.

The estimated number of cruise passengers expected in 2020 is 190,000. This equates to a CBS bus contract appropriation of \$ 204,000. If this is acceptable to the Assembly, this sum will be included in the FY21 budget.

For the second year of the contract the passenger count is expected to rise to 240,000 which equates to an appropriation of \$257,000.

The overall cash flow for the CBS Marine Passenger Fee Fund looks like this:

Present fund balance	\$482,000
Estimated FY 20 State pass through	445,000
Less remaining bus contract	<u>(60,000)</u> (May and June 2020)
Balance	\$867,000 (Going into summer 2020)

Projects included in the FY20 budget to be funded with State CPET funds

MARSEC security	\$ 17,000
Cross Trail project	50,000 (9.03% match for federal funds)
Seawalk extension	153,000 (9.03% match for federal funds)
Lincoln Street project	<u>105,000</u> (pedestrian safety work)
Total Projects	\$325,000

FY 21 passenger busing supplement	\$204,000
FY 22 passenger busing supplement	\$257,000

Recommendation

Proceed with the Request for Proposals for the Cruise Passenger Transit Services for FY 21 and FY22

Attachment: Draft RFP

REQUEST FOR PROPOSALS (RFP)
by
THE CITY AND BOROUGH OF SITKA, ALASKA
for
CRUISE SHIP PASSENGER TRANSIT SERVICES
BETWEEN OLD SITKA DOCK &
HARRIGAN CENTENNIAL HALL PARKING AREA

A. Overview

The City and Borough of Sitka (CBS) is requesting proposals from qualified entities (Contractor) to provide free transport services of cruise passengers between Old Sitka Dock and Harrigan Centennial Hall parking area for the 2020 cruise ship season with one additional renewal option for a one- year extension. The Assembly has approved (not to exceed) \$204,000 for 2020 and \$257,000 for 2021. Payment shall be made at the rate of \$1.07 per passenger based upon the total number of passengers listed in each ship's manifest.

CBS may make such investigation as necessary to determine the ability of the Proposer to perform the work, and the Proposer shall furnish to CBS all such information and data for the purpose as CBS may request. CBS reserves the right to reject any Proposal if the evidence submitted by, or investigation of such Proposer fails to satisfy CBS that such Proposer is properly qualified to carry out the obligations of the Contract and to complete the work contemplated herein.

After opening the proposals CBS has 45 days to make a decision on whether to award the contract to the entity deemed the most qualified. Background information and specific contract requirements follow.

B. Background

Passenger and crew counts from cruise ships arriving at the Old Sitka Dock have increased from approximately 20,000 cruise passengers in 2014 to approximately 140,000 cruise passengers in 2017. Recognizing the significant increase in State Cruise Ship Passenger Excise Tax (CPET) revenue that was being generated over this time, on December 27, 2016 the CBS Administration requested, and the Assembly approved, a \$150,000 appropriation of CPET fund to supplement passenger transit service from Old Sitka Dock to Harrigan Centennial Hall.

Beginning in 2020 the cruise passenger count is expected to rise to 190,000 passengers and then to 240,000 in 2021.

C. General Contract Requirements

The goal of CBS and Contractor is to provide free, safe and efficient transit services for cruise passengers between Old Sitka Dock and Harrigan Centennial Hall parking area. Designated pickup/drop off locations will be identified by CBS and Contractor at their respective properties. Contractor's shuttles must not block traffic at non-approved locations. Minimum level of service shall be as follows:

- Cruise ship passenger transportation services will be required continuously to and from Old Sitka Dock and Harrigan Centennial Hall parking area throughout each day while a vessel is berthed at Old Sitka Dock.
- The Contractor's bus fleet and operations must be able to transport a minimum of 1,500 passengers per hour.
- Maximum cruise passenger waiting time shall not exceed 15 minutes at either location.
- The Contractor shall provide ADA accessible shuttles and services.
- The final bus departing from Centennial Hall 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 parking area to coordinate loading and unloading. The customer support liaison shall provide support to organize the vehicle queuing and coordinate the passenger loading and unloading.
- While traveling to and from the Old Sitka Dock advertisement for tours and other activities are not allowed on the shuttle vehicles.
- The Contractor has 30 days from the date of contract award 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 CBS may declare the Contractor in breach of the agreement.
- Contractor shall provide a report of the number of passengers transported each trip. The information shall be submitted to CBS no later than the 10th of the month for the previous month.
- Contractor shall provide a minimum of 16 busses with a carrying capacity of 48 passengers and shall be solely used for cruise ship passengers during the cruise ship season.
- Contractor shall list the year, make and model of the intended bus fleet.
- Contractor shall list any current contracts or commitments for the vehicle fleet.
- Contractor shall identify the location the busses will be stored and maintained.
- CBS reserves the right to negotiate a monthly payment schedule with the Contractor.
- CBS will make payment in accordance with aforementioned payment schedule. Payment will be made at the rate of \$1.07 per cruise ship passenger based upon the total number of passengers listed on the ship's manifest.

The Assembly will award a Contract 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 one (1) additional one-year extension may be awarded for the 2021/2022 cruise ship season.

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 \$1,000,000
Aggregate \$2,000,000
3. Comprehensive Automobile Liability – Minimum Limits:
Bodily Injury and Property Damage, including all owned, hired and non-owned vehicles -
\$1,000,000

The Contractor or operator of the transportation services will maintain a minimum of \$5,000,000 of comprehensive automobile liability or similar insurance covering the operation of buses used in the transportation of passengers during the duration of this contract. The operator's insurance shall name the CBS as an additional insured for the purposes of the Contract and shall contain a waiver of subrogation against the CBS.

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 of the size necessary to meet these contract requirements.
3. A copy of current Alaska Business License.
4. Spreadsheet detailing transit vehicle fleet to include make, model, year, mileage, passenger capacity, and ADA capabilities of each vehicle. Spreadsheet should include all available transit vehicles including subcontractors (if applicable).
5. Operational plan based on the expected cruise ship schedule for 2020 and 2021. The plan shall identify rotational and operational schedules for pickup and drop-off, emergency backup plans in the event of equipment breakdown, and a Customer Care Policy (CCP). The CCP shall cover what information will be presented and displayed to the passengers that may impact their experience in Sitka. The CCP shall address how passengers will be taken care of if they miss their ship, have an emergency or medical need, smoking policy, etc.

Responses to this RFP will be evaluated and ranked based on the following criteria (100 points possible):

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 One (1) copy of your Proposal to:

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

Proposals will be received until

Any questions regarding this project should be directed to Tori Fleming, Contract Manager, at publicworks@cityofsitka.org, (907) 747-1803.

Dates of Publication:

Sitka Daily Sentinel: