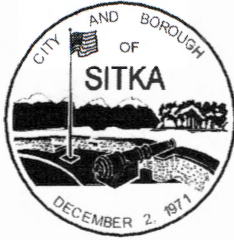


## **POSSIBLE MOTION**

**I MOVE** to award the 2020 / 2021 Cruise Ship Passenger Transit Service contract to Halibut Point Marine Services.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

To: Mayor Paxton and Assembly Members  
From: Hugh Bevan, Interim Municipal Administrator  
Date: February 4, 2020  
Subject: Cruise Ship Passengers Transit Services

*HB 2-5-20*

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### Background

On December 23, 2019 the Assembly approved a draft RFP for a cruise ship passenger busing contract.

Included in the Assembly approval was funding for the 2020 cruise season in the amount of \$204,000 (Contract Year 1) and \$257,000 for Contract Year 2.

The RFP was advertised from January 15 to January 29, 2020 in the Sitka Sentinel and one proposal was received from Halibut Point Marine (HPM) on January 31, 2020.

The HPM proposal (attached) adequately addressed the requirements in the RFP.

I also confirmed with HPM that they have a plan in place to bill CBS based only upon passengers that are counted at the Old Sitka Dock as they board buses for the inbound trip to town. This will avoid double billing conflicts.

I further confirmed that each bus carries a first aid kit.

### Fiscal Note

There is about \$60,000 remaining in the FY20 budget that will provide funds until the FY21 funding becomes available on July 1, 2020.

The \$204,000 FY21 appropriation will fund the contract until the end of June 2021 and the \$257,000 amount will apply to the following year of the contract.

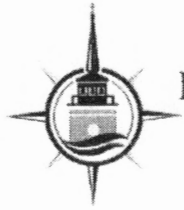
Funding is provided by the State from taxes that are paid by cruise passengers.

Recommendation

Award the 2020/2021 Cruise Ship Passenger Transit Service contract to Halibut Point Marine.

Attachments

Halibut Point Marine Proposal dated January 31, 2020



**HALIBUT POINT**  
SITKA'S CRUISE  
TERMINAL

[www.halibutpointmarine.com](http://www.halibutpointmarine.com)

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**PROPOSAL FOR:**  
**Transit Services Between**  
**Old Sitka Dock &**  
**Centennial Hall Parking Area**

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Sitka, Alaska 99835  
Phone: 907-747-1089 E-Mail: [chris@halibutpointmarine.com](mailto:chris@halibutpointmarine.com)

## 1. Letter of Interest



**HALIBUT POINT**  
SITKA'S CRUISE  
TERMINAL

December 31, 2020

City and Borough of Sitka  
100 Lincoln Street  
Sitka, AK 99835

To Whom it May Concern,

On September 18, 2012, the first modern large cruise ship docked in Sitka at the Halibut Point Port Facility. The docking of the Celebrity Century was the result of years of planning, persistence, hard work, and personal investment by Halibut Point Marine Services LLC (HPMS).

Since the docking of the Celebrity Century, HPMS has continued to invest time and resources not only into growing the cruise ship traffic to its dock, but also to Sitka through continuous marketing of the destination of Sitka to the cruise corporations.

The marketing efforts have been successful. HPMS has increased the number of dockings at its facility from 1, in 2012, to an estimated 250,000+ in 2021. In addition, Sitka has seen its cruise ship passenger counts increase from around 80,000 in 2012 to levels that will approach record visits by 2021. HPMS is committed to the continued growth and success of the cruise industry in Sitka and believes that the cruise port facility is vital to this growth.

The port facility has to provide a flawless experience for both the cruise companies and their passengers. One of the key components of this is providing adequate transportation to and from downtown Sitka. HPMS knows that if passengers are not happy with the transportation services, they will let the cruise companies know, and it will effect the decision making of the cruise company when deciding to call in Sitka.

For this reason, HPMS feels that it has the most to lose or gain with regards to providing flawless transportation services for the passengers to and from downtown Sitka. The following pages contains our proposal in response to the request for Transit Services between Old Sitka Dock and Harrigan Centennial Hall. This proposal is based on our experience with providing these services for the past 8 years.

Respectfully,

A handwritten signature in black ink, appearing to read "Chris McGraw".

Chris McGraw  
Halibut Point Marine Services LLC

## 2. Contractors Experience

Halibut Point Marine Services LLC (HPMS) is a locally owned company that operates a port facility at 4513 Halibut Point Road which is utilized by large cruise ships during the summer months.


The HPMS port facility saw its first cruise ship in 2012. At that time Sitka had limited transportation companies capable of providing passenger transport from the port to Downtown Sitka. Based on this limited resource, HPMS purchased 8 coaches and contracted with Alaska Coach Tours (ACT) for driving of the shuttles.

HPMS formed the working relationship with ACT based on their experience in providing safe, quality transportation for cruise passengers throughout Alaska and the Pacific Northwest. ACT has operations in Ketchikan, Juneau, Skagway, Sitka, and Seward and operates under the name of Pacific Alaska Tours in Seattle. They operate over 100 motor coaches and have a vast resource of drivers and staff to meet HPMS's needs for operating the shuttle service from the port to downtown Sitka.

The working relationship between HPMS and ACT has resulted in HPMS successfully fulfilling the contract for providing transit services from the port to downtown Sitka for the City and Borough of Sitka during the 2013 through 2019 cruise ship seasons.

During these seasons, HPMS has gained a wealth of knowledge relating to the shuttle demands for each ship based on passenger capacity and arrival time. These factors significantly impact the requirements for the number of coaches required to provide transportation and keeping the passenger wait times to a minimum. It is very likely that firms without this first hand knowledge would not be able to adequately provide transit services and keep passenger wait times to a minimum.

### 3. Business License

Alaska Business License # 725524	
<b>Alaska Department of Commerce, Community, and Economic Development</b> Division of Corporations, Business, and Professional Licensing PO Box 110806, Juneau, AK 99811-0806	
This is to certify that	
<b>HALIBUT POINT MARINE SERVICES, LLC</b>	
P.O. BOX 718, SITKA, AK 99835	
owned by	
HALIBUT POINT MARINE SERVICES, LLC	
is licensed by the department to conduct business for the period	
October 29, 2019 to December 31, 2021 for the following line(s) of business:	
48 - Transportation and Warehousing	
	<p>This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.</p> <p>This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.</p> <p>Julie Anderson Commissioner</p>

#### 4. Transit Vehicle Fleet – All vehicles all owned by HPMS and located at 4513 Halibut Point Road

Make/Model	Year	Approx Mileage	Capacity	ADA
MCI / 102DL3	1997	480000	62	NO
MCI / 102DL3	1999	420000	62	NO
MCI / 102DL3	1997	510000	62	NO
MCI / 102DL3	1997	330000	62	NO
MCI / 102DL3	1997	330000	62	NO
MCI / 102DL3	1998	460000	62	NO
MCI / 102DL3	1997	320000	62	NO
MCI / 102DL3	1997	390000	62	NO
MCI – MC 12	1994	560000	53	NO
MCI / 102DL3	1998	195000	62	NO
MCI / 102DL3	1997	390170	62	NO
MCI / 102DL3	1997	940000	62	NO
MCI / 102DL3	1997	820000	62	NO
MCI / 102D3	2004	830000	48	YES
Thomas - Blue Bird	1995	175,000	48	NO
Thomas - Blue Bird	1995	155,000	48	NO
Thomas - Blue Bird	1995	177,000	48	NO



## 5. Operation Plan

### Daily Schedule

The 2020 Cruise Schedule for Halibut Point has ships ranging in size from the Seaborn Sojourn at 450 passengers to the Golden Princess at 3,080 passengers. HPMS's experience in relation to ship size and arrival time will dictate the number of shuttles needed to effectively transport passengers for each different ship. The most demanding ships of the season will be the ships with capacities of 1,800 or greater.

The weekly Holland America ships with a capacity of around 2,000 passengers have early arrivals, which results in a steady flow of passengers coming off the ship for the first few hours. HPMS will utilize 8 shuttles for the morning transport and then add an additional 4 shuttles in the afternoon to ensure that passengers can spend as much time in downtown Sitka and have minimum wait times to return to the ship prior to departure.

For ships such as the Golden Princess, which has approximately 3,000 passengers the shuttle demand is greater than the typical Holland America ship, therefore HPMS will have 12 shuttles available for transporting passengers in the morning when the ship arrives, and will add 2 additional shuttles at the end of the day to ensure adequate transportation is provided for the passengers return to the ship.

The average round-trip for a coach from the dock to downtown Sitka is about 30 minutes. The 17 coaches that HPMS owns have a total carrying capacity of 989 passengers. This equates to the ability to move 1,978 passengers per hour. Our experience has shown that a capacity of 1,500 per hour is adequate for the larger ships. If it becomes apparent that passenger wait times will exceed 15 minutes additional coaches will be added per our Emergency Backup Plan.

### Emergency Backup

HPMS has a large fleet of coaches. Due to this large fleet, not all coaches are needed on a daily basis. Based on this HPMS will have spare coaches that will be put into the rotation in case of increased demand or if there is a mechanical breakdown to insure efficient operation of the shuttle service.

## Customer Care Policy

Ensuring that the passengers have a pleasant transit experience is a key component to the continued success of the Halibut Point port facility and to growing Sitka's cruise ship traffic. To insure this HPMS implements the following customer care guidelines.

- All Coaches are inspected daily for compliance with USDOT regulations to insure safe operation.
- All coaches are kept clean and presentable.
- All drivers are professionally dressed in uniforms and trained in customer service along with knowledge relating to Sitka and the shuttle operation so that they can be informative to the cruise passengers. This includes providing brief details on Sitka history and points of interest during the shuttle ride to downtown Sitka.
- A representative will be located at both OSD and Centennial Hall to load passengers and assist with any questions or needs they may have. Informational handouts will be available to passenger at the port detailing a walking map of downtown Sitka. In addition, this document identifies the transit drop off and pick up location and a detail of the transit schedule. The handout also gives informational contact phone numbers.
- If a passenger were to miss their ship due to the fault of HPMS, we would contract with Cruise Line Agencies of Alaska to provide services required to return the passenger to its ship at the next port of call.
- All coach drivers will have two-way radios to the shuttle operations manager in addition all drivers have cell phones to notify emergency personnel in case of a medical emergency.
- All transit coaches will be smoke free