



OFFICE OF THE MAYOR

CITY OF ST. PETERSBURG

RICK KRISEMAN, MAYOR

August 14, 2019

Dear Mr. Burton,

Thank you and your Commissioners for allowing me to present information about the opportunity to bring the Cross Bay Ferry back for another season of service. As a follow-up to the Commission meeting, I am providing the below and attached information for the County's consideration. I hope that you and the Board find the information useful as final funding and the Interlocal Agreement is considered.

You may recall from the presentation that during the 2018-2019 seasonal service, over 52,000 passengers rode the Cross Bay Ferry. I have received updated information which more accurately reflects the billing zip code of the ticket purchasers, which is as follows:

- 47% were from Hillsborough
- 40% were from Pinellas
- 6% were from Florida, but not Pinellas or Hillsborough
- 7% of ticket purchasers were from outside of Florida

The existing agreement between the City of St. Petersburg and HMS Ferries has two one-year renewal options and as such would be utilized to provide the 2019-2020 seasonal service. Per that agreement, the cost to provide the ferry service is \$942,126. Per the agreement, HMS accepts the risk for the first \$200,000 in revenue by capping the maximum government subsidy at \$742,126. The maximum government cost is shared equally with the four local governments (\$149,182 each) after being supplemented with remaining funds from the Florida Department of Transportation grant. Based on the estimated cost of \$942,126, HMS would retain revenues over \$200,000 and less than \$400,000 as profit. If revenues exceed \$400,000 then HMS and the partner governments would split the revenues on an equal share. Based on the last season, we don't anticipate exceeding the \$400,000 threshold as revenues were just under \$300,000.

Finally, in speaking with HMS this week related to marketing and customer feedback, HMS has agreed to conduct additional on-board surveys periodically during the 2019-2020 season, in addition to the end-of-season survey it has routinely conducted. The City and HMS will also continue to look for ways to establish partnerships with organizations, including the CVB/VSPC,

that continues to make our residents and visitors aware of the opportunity to use the Cross Bay Ferry as a means to travel and explore Tampa Bay.

Thank you for taking the time to consider this important regional transportation service. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Kriseman", with a stylized flourish at the end.

Rick Kriseman,  
Mayor  
City of St. Petersburg