

Business and Operations Plan

Tampa Bay Ferry Pilot Project



Prepared For:

City of St. Petersburg
P.O. Box 2842
St. Petersburg, FL 33731

Prepared By:



HMS Ferries, Inc.
385 Ericksen Ave NE, Suite 123
Bainbridge Island, WA 98110

May 2, 2016

Table of Contents

1	Project Background	1
2	Business Overview	3
2.1	Parties Involved	3
2.2	Key Contract Items	4
2.3	Summary of Services	4
2.4	Project Objectives.....	4
2.5	Financial Summary	5
3	HMS St. Petersburg Operations.....	7
3.1	HMS Ferries – Management Team.....	7
3.2	St. Petersburg Functional Operations	8
4	Service Description	12
4.1	St. Petersburg to City of Tampa Weekend Scheduled Service	12
4.2	St. Petersburg-Tampa Scheduled Commuter Service.....	12
4.3	Apollo Beach Service Options.....	12
4.4	Special and Private Events.....	13
4.5	April Sports Service.....	13
5	Facilities and Terminals	14
5.1	St. Petersburg.....	14
5.2	Tampa.....	17
5.3	Apollo Beach Service (Optional)	20
6	Ticketing System	23
6.1	Sample Ticket System Screens	24
7	Marketing & Advertising.....	27
7.1	Overall Approach.....	27
8	Route Assessment.....	29
8.1	Distances between various port facilities.....	29
8.2	Summary of Routes	29
9	Regulatory Issues	30
10	Proposed Ferry Vessel	31
10.1	Vessel Description.....	31
10.2	Vessel Maintenance	34
10.3	Crew Manning	34
11	Budget.....	36
11.1	HMS Fixed	36
11.2	Allowance.....	36
11.3	Client Costs	36

1 Project Background

Reference: RQU No. 7942

The City of St. Petersburg (the City) determined there is a public need to evaluate ferry service between the City of St. Petersburg, the City of Tampa, and possibly other municipalities in Hillsborough County, Florida.

As a result, RQU No. 7942 was issued on November 30, 2015 to solicit proposals for passenger ferry operations services intended to determine the necessity and viability of a regular Tampa Bay ferry service.

HMS Ferries, Inc. (HMS) is a ferry operating company that provides ferry services to government and private clients. As part of HMS's response to RQU No. 7942 it was proposed the project be implemented in two phases: 1) develop a detailed Business and Operations Plan and 2) award an Operations Contract to deliver Pilot Project services.

The City identified HMS as the successful respondent and issued an initial contract for HMS to develop the proposed Business and Operations Plan. Once the Business and Operations Plan is adopted and funding is approved, the City has the option to: 1) proceed to the actual (operational) Pilot Project, 2) define and contract for additional feasibility work, or 3) cancel the procurement.

While HMS's response to RQU No. 7942 identified Operator and Owner (City) areas of responsibility, it became clear during reconnaissance and due diligence that the City prefers a more comprehensive approach and may wish to have HMS provide additional services and management. This is consistent with the scope of the RQU and HMS is fully capable and willing to provide this additional scope.

Should the City decide to proceed to the operational phase of this project, the final scope of work, terms and costs will be defined in a Management and Operations Agreement. The budget reflected in this Business and Operations Plan envisions a comprehensive service agreement, based on the conditions and information currently available.

Summary of Project Scope

Task	Original HMS Scope Proposed in RQU No. 7942	The City / Client
Key Contracts	Operating Contracts Ferry Vessel Charter Barge Contract(s) Service Agreements	The City may have HMS procure and manage: Terminal Landing Contracts Docks and Gangways Installation Marketing Contract Concession Contract(s)
Marine Management	In HMS scope	No change
Marine Operations	In HMS scope	No change
Marine Administration and Ticketing	In HMS scope	No change
Project Customer Support	In HMS scope	No change
Maritime Facilities Development	In coordination with the City	In coordination with HMS
Marketing Contractor Procurement and Support	Not in HMS original scope	The City may have HMS procure and manage
Scheduling	HMS recommendation - City decision	No change
Fares / Pricing	HMS recommendation - City decision	No change
Terminal - Marine Environmental Regulatory	Not in HMS original scope	HMS operations will support the City and Apollo's responsibilities to secure environmental and property permits
Terminal - Landside Development for St. Petersburg	HMS to support design efforts	The City's responsibility to identify, with HMS support, landside facilities with improvements undertaken by the City or its subcontractors.
Terminal - Landside Development for Apollo	HMS to support design efforts	The City may have HMS procure and manage
Insurance	Vessel Hull and Machinery, P&I and General Liability. No docks, gangways, landside property, or P&I insurance. No business interruption.	The City may have HMS procure and manage property, P&I, business interruption and other insurances for docks, gangways, landside
Maintenance	Routine Maintenance (minor)	No change
Coast Guard Inspections and Approvals	HMS responsibility	No change
Concession Services	Not in HMS original scope	The City may have HMS procure and manage
Marketing & Advertising	Not in HMS original scope	The City requests HMS procure
Routine Vessel Maintenance	In HMS scope	No change
Major Mechanical	No change	The City responsible

2 Business Overview

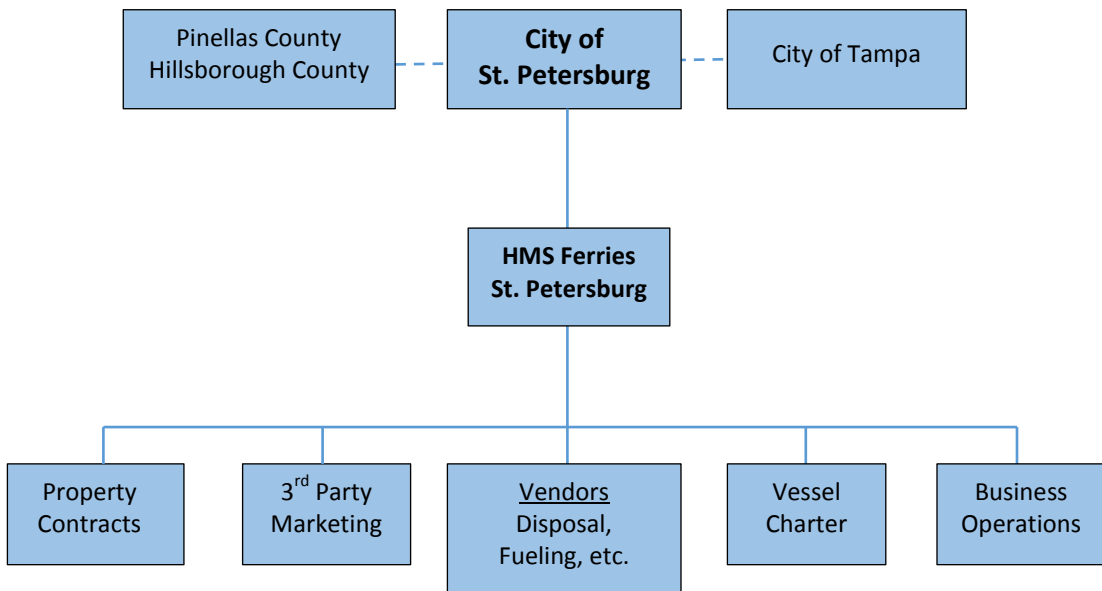
The Business Overview presents business related topics including:

- Parties involved and their relationships
- Key Contract Items
- Summary of Services
- Project Objectives
- Summary of Financial

2.1 Parties Involved

The primary parties involved in the Tampa Bay Ferry Pilot Project are the City of St. Petersburg (The City) and its selected marine operations and consulting company, HMS Ferries, Inc. (HMS). The following organizational chart illustrates relations between the parties:

Inter-Business Relationships



2.2 Key Contract Items

- 2.2.1 Pilot Project Management and Operations Agreement – City of St. Petersburg and HMS Ferries, Inc.
- 2.2.2 Ferry Vessel Charter – HMS and Vessel Owner
- 2.2.3 Barge Contracts – HMS (on behalf of the City) and Barge Company
- 2.2.4 Property/Landing Contracts – City and terminal / land owners (DK/Apollo, and Tampa Convention Center)
- 2.2.5 HMS Services Agreements – Pump out, Cleaning, and Concessions
- 2.2.6 City Service Agreements - Fuel
- 2.2.7 Marketing Contractor – City and PR/Marketing firm

2.3 Summary of Services

The Pilot Project will provide scheduled weekend service between St. Petersburg and Tampa on Friday, Saturday, and Sunday. The Pilot Project will also test limited weekday commuter service originating from St. Petersburg traveling to downtown Tampa. Service may possibly also include optional service to Apollo Beach, subject to regulatory and permitting approvals. In such event, the Pilot Project would test commuter service between Apollo Beach and Tampa, as well as weeknight (Mon.-Thur.) service between Apollo Beach and St. Petersburg. Charters or excursion demonstration services can be offered to maximize revenues, and test a broader range of services.

2.4 Project Objectives

The primary objective of the Pilot Project is to showcase passenger ferry transportation both as a technology and a viable transportation option for Tampa Bay. The Pilot Project will provide insight, information, and data about the level of interest and efficacy of the inter-city commuter. The Pilot Project will also explore and demonstrate the efficacies associated with co-operative marketing and the economic benefits of connecting businesses to customers in Tampa, St. Petersburg, and southern Hillsborough County.

The Pilot Project will gain a wide range of information and data that can be used to measure ridership demand and customer preferences. This information can further be used to define future service options and vessel design specifications, including such factors as optimal vessel size, speed, configuration, and amenities.

2.5 Financial Summary

COSTS

HMS' initial proposal called for weekend service between St. Petersburg and Tampa and weeknight excursion service out of St. Petersburg. The estimated cost of these initial elements remains unchanged. This initial budget expressly excluded marketing, landside development costs, and commuter service and a third terminal location. Further, the initial proposal did not contemplate HMS undertaking turnkey project development for all its elements. The addition of these items increases the project range to \$1.79 - \$1.95 million, with approximately \$165,000 associated with the development of an optional terminal facility in Apollo Beach.

The estimated costs includes all aspects associated with the mobilization, demobilization and delivery of the service as understood at this time.

A general breakdown of the project costs are as follows:

Cost Item	Fixed	Variable
Vessel Operations, Administration, Project Management	\$974,676	
Insurance Deductibles and Vessel Contingencies	\$57,750	
Fuel		\$335,160
St. Pete-Tampa maritime facilities		\$\$123,287
St. Pete-Tampa landside facilities		\$86,940
Apollo Beach maritime and landside facilities		\$164,690
Insurance		\$24,235
Marketing		\$78,750
Contingency		\$105,000
Subtotal		\$918,062
Total	\$1,950,488	

REVENUE

The Pilot Project will generate revenue, and the magnitude of which will depend on: 1) the final operating schedule, 2) pilot ferry service utilization, and 3) fares.

Also, marketing and promotional activities for the Pilot Project will have a tremendous impact on public awareness and associated interest in utilizing the service.

The interplay of these variables is complex and a conclusive prediction cannot be provided with the information that is currently available.

What can be provided is a range of the potential revenue generated from the ferry service. With this, the City can consider the possible contribution that collected fares can make toward the costs of the Pilot Project.

Stakeholders should bear in mind, when considering permanent ferry service, this very question - what level of contribution can realistically be generated from the Fare Box - is part of what the Tampa Bay Pilot Project seeks to evaluate.

Refer to Sample Schedule – Exhibit 1 and Revenue Matrix – Exhibit 2

3 HMS St. Petersburg Operations

3.1 HMS Ferries – Management Team

The management support team offered by HMS Ferries includes both Off-site Management Support, as well as the On-site management team:

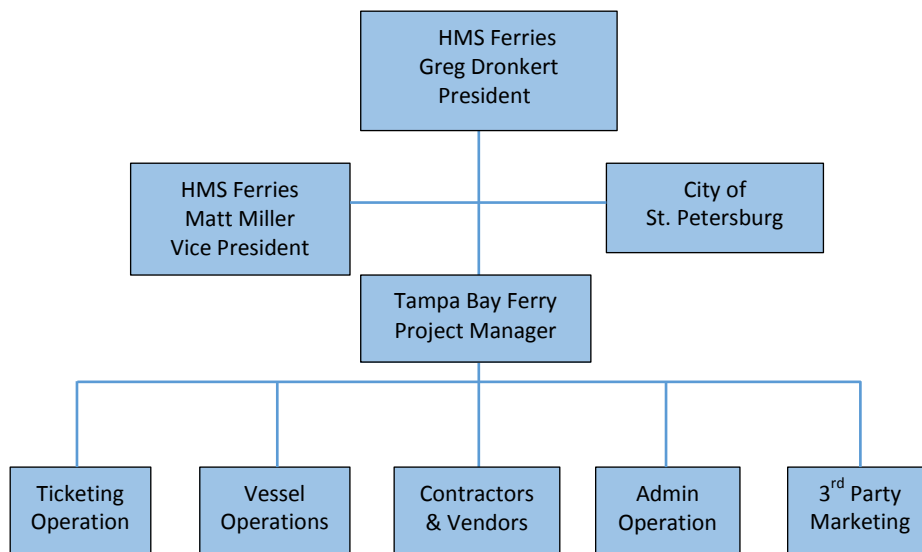
3.1.1 (OFF-SITE) Project Support Team

- HMS Ferries – Bainbridge Island, WA Office
 - Contract Management
 - Fleet Safety Officer
 - Administrative Support
 - Fleet Technical Support

3.1.2 (ON-SITE) Project Management

- HMS St. Petersburg Office
 - Project Manager
 - Administrative Manager
 - Customer Service Manager
 - Senior Master

St. Petersburg Pilot Project Organization Chart

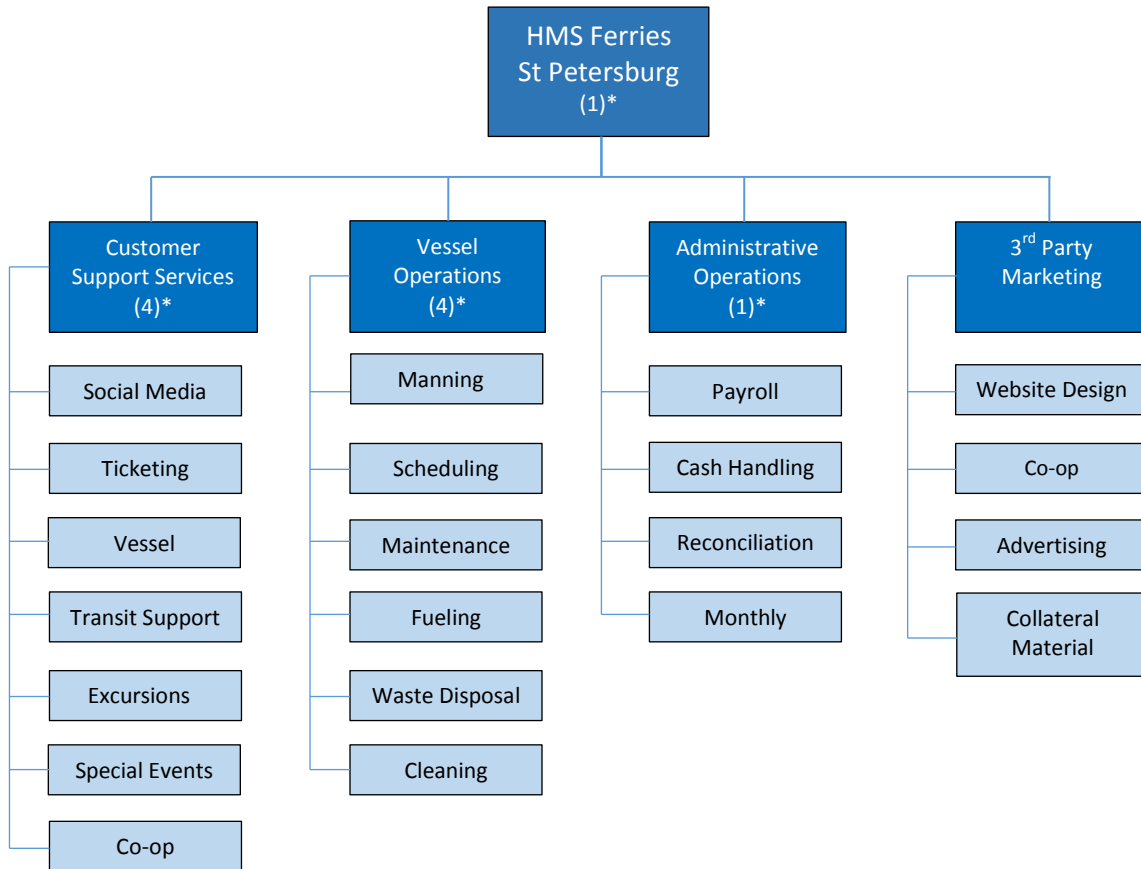


3.2 St. Petersburg Functional Operations

HMS local operations management and support will be located in St. Petersburg. Key personnel will support administrative operations, customer services, and vessel operations, as well as manage third-party contracts and services.

The following diagram outlines functional operations that are supported by the HMS St. Petersburg office:

St. Petersburg Functional Operations Diagram



*Asterisk represents number of persons in each role

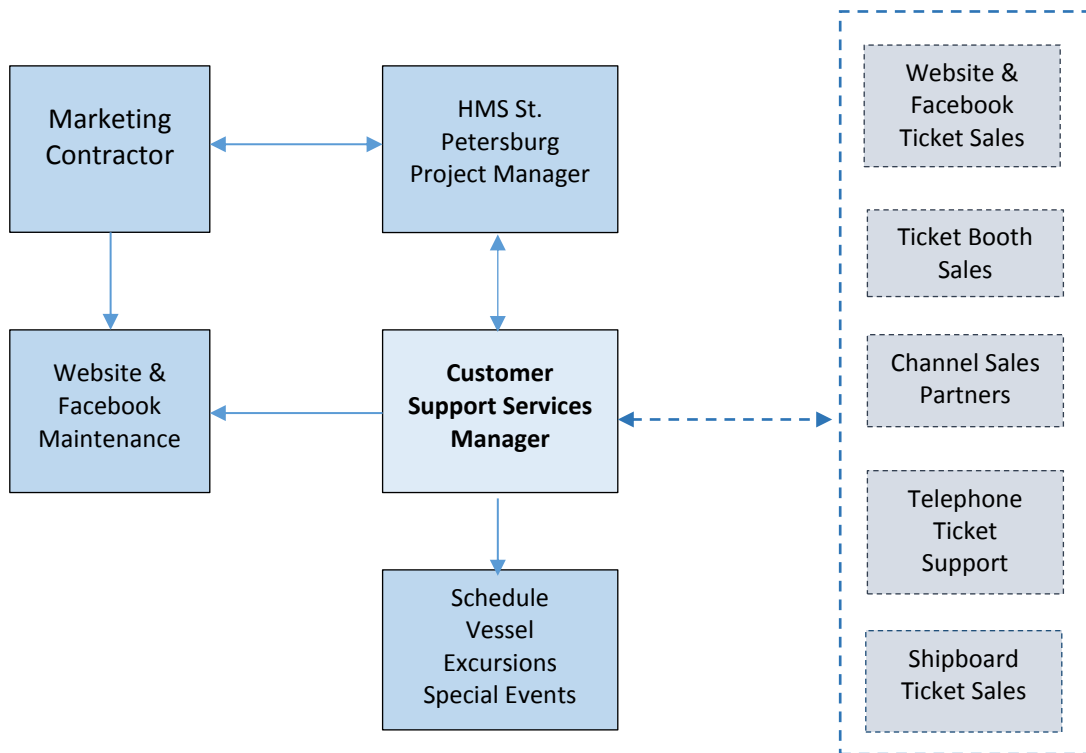
3.2.1 Project Manager

The Project Manager is responsible for all operations both onshore and afloat and insures effective and efficient controls are in place to insure safe and efficient vessel operations and accurate accounting of all business operations. The Project Manager is also responsible for implementing and overseeing all relevant terms of project development and implementation as identified in the scope of the Operating Agreement. Regular reporting and communications will be maintained between the HMS St. Petersburg Office, HMS Corporate Offices, and the City of St. Petersburg.

3.2.3 Customer Support Services

The Customer Support Manager will oversee the customer support line, and ticket booth operations, as well as interface with the co-op marketing participants. Additionally, this department will have day-to-day responsibility for Social Media content, the ferry operation’s ticketing system, and interface with 3rd Party support vendors. The specific allocation of responsibilities between the Customer Support Manager and Marketing Contractor will be defined and determined during project mobilization.

Customer Support Services Diagram



3.2.4 Marketing Contractor

HMS recommends that the services of a local marketing & public relations company be contracted. A procurement can be conducted to select a company that will develop and implement a communications, marketing, and public relations program for the Pilot Project. The preference may be to select a company that has close working relationship or knowledge of the marketing, outreach, and membership platforms of major visitor and business stakeholder groups that have been assisting with the Pilot Project plan development. Example stakeholders include Visit St. Petersburg/Clearwater, Visit Tampa Bay, the Tampa Downtown Partnership, and the St. Petersburg Chamber of Commerce. Input on this matter was communicated by the Ybor City Chamber of Commerce, the St. Petersburg Downtown Partnership, the Tampa Bay Lightning, and Tampa Bay Rays.

3.2.5 Vessel Operations

In support of the Pilot Project, HMS intends to enter into a charter agreement with Bay State Cruise Company. This arrangement is subject to vessel availability, entering into a charter agreement, and timely payment of required deposits.

The basic outline of inclusions and terms offered by Bay State Cruise Company include:

- Deliver vessel to Tampa Bay no later than October 27, 2016
- Ensure U.S. Coast Guard Certificate of Inspection to conduct passenger operations in Tampa Bay
- Provide Master and Mate
- Provide crew housing, as well as travel costs to support crew rotation
- All vessel insurance required to operate, carrying passengers for hire, and indemnifying: City of St. Petersburg, City of Tampa, Hillsborough County and HMS Ferries
- Fuel for round-trip delivery of vessel to and from Tampa, as well as all regular preventative maintenance.

3.2.6 Chain of Command

The Chain of Command is the line of authority and responsibility along which orders are passed throughout the operation. Pertaining to vessel operations, the ship's Master has the overriding authority and is directly and ultimately responsible for the safety of the passengers, crew, and vessel. All vessel crew report directly to the Master, and issues related to the safety of the vessel, crew and passengers are brought to his or her immediate attention. The Master shall report all pertinent information to the General Manager who in turn provides guidance and support to the Master for the safe operation of the vessel.

4 Service Description

4.1 St. Petersburg to City of Tampa Weekend Scheduled Service

Scheduled transit between St. Petersburg and downtown Tampa is intended to run Friday, Saturday and Sunday. Preliminary sample hours of operation will include three round-trip services per day. Fare pricing should be based upon the recreational nature of this trip. The City will need to establish all pricing for the Pilot Project, but it is recommended that a fare ranging from \$10 to \$12 for a one-way adult ticket (and a lower fare for children) is appropriate. Fares can be finalized as part of project mobilization and with consultation from the Marketing Contractor.

4.2 St. Petersburg-Tampa Scheduled Commuter Service

The Pilot Project will assess the market and test limited commuter service from St. Petersburg to downtown Tampa. This service consists of an early morning run from St. Petersburg to Tampa and returning to St. Petersburg at the end of the workday. The vessel could layover (in Tampa) or provide additional departures. This service could operate Monday through Thursday.

The Tampa terminal can be located at the Tampa Convention Center. This site is served during the week by the downtown circulating trolley (operating during the hours of the proposed commuter ferry service). Connecting service would also be facilitated by the introduction of the Downtowner this spring by the Tampa Downtown Partnership. This is an app-based service that will take passengers directly from the Tampa Landing to their place of employment within the central business district (CBD).

The base population commuting from the downtown St. Petersburg vicinity to the Tampa CBD appears to be relatively small based on U.S. Census data. This limited potential supply of commuters may be compensated by the significant transportation congestion of major roadways during the winter months when both schools are in session and visitors are more numerous. Per the City's request, it may be optimal to commence this service after the holidays and the NCAA National Championship game on January 9, 2017.

4.3 Apollo Beach Service Options.

Subject to the City securing regulatory approvals and permits for the Apollo Beach terminal location, and timely dredging of the entrance channel, the Pilot Project could provide two types of service from Apollo Beach. One of these could be commuter service to the City of Tampa. This service would originate and terminate in St. Petersburg and would operate in a similar manner as the St. Petersburg – City of Tampa commuter service. The downtown Tampa commuter population that resides in and around Apollo Beach is considerably larger than the commuters coming from St. Petersburg. Like the St. Petersburg commuter service, market assessment and advanced promotion would be undertaken prior to launching the service.

Weekend night service between Apollo Beach and St. Petersburg is another option. This service could operate between Monday and Thursday.

4.4 Special and Private Events

Special ferry operations could be available for private and special events in Tampa Bay that originate out of St. Petersburg. Private events may include businesses or private parties who wish to contract the entire vessel. Special events may include New Year's Eve, Gasparilla, the Men's NCAA National Championship, and the St. Petersburg Grand Prix. Such service would be outside of the regular operating schedule and thus would result in additional operational costs.

4.5 April Sports Service

The potential for Tampa Bay Lightning playoff games and the first month of Tampa Bay Rays games presents unique opportunities for event service in April 2017. It may be desirable to amend all schedules to coincide with sports fan travel for these events during mid-week. Weekend schedules should already meet the travel demands for these games.

5 Facilities and Terminals

Following is a description of the primary ferry landings and includes required modifications, scope of mobilization, and timing. An additional (optional) terminal is also discussed.

5.1 St. Petersburg

5.1.1 Location of proposed landing

A temporary 20' x 80' landing can be provided by using four (4) 10' x 40' barge units, which would be secured into place with “spuds” in the Vinoy Mooring Basin. The location would be in close proximity to the Museum of History. The bathometric (underwater) survey for this area shows the depth quickly drops to 7.5' within several feet of the shore, then continues to drop to 13.7'. The vessel and landing would sit in approximately 11.7' of water. These specifications represent a modification of HMS's original proposal. After close evaluation, HMS and officials from the City determined a more robust landing platform would be needed to handle the choppy and often forceful wave patterns that are generated in the Vinoy basin resulting from strong easterly and northeast winds. *See Exhibit 3 for sample Barge Specs.*



Birdseye view of Vinoy Boat Basin.

Southwest View of Vinoy Basin



Northern Downtown View of Vinoy Basin



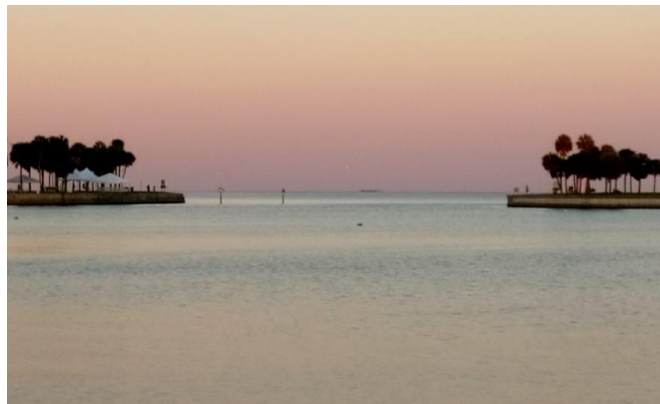
5.1.2 Barges - Modifications Required

Barge modifications include installing “D-rubber” style fenders mounted on steel “H” beams to the sides of the barges. HMS can manage the logistics for contracting the barges, their delivery to the Vinoy Basin location, and required barge modifications.

5.1.3 Potential Adverse Conditions

Below is an eastern view of the entrance to Vinoy Mooring Basin. An eastern or northeast wind can generate chop that will carry into the basin. Chop can deflect and cause choppy wave action that would have adverse impacts on the ferry vessel and barges. The full severity of such action is unknown, particularly in the event of strong or gale-force winds. In the event it is viewed that such conditions represent a danger to the ferry vessel, it may be necessary to move the vessel to the Apollo Beach Landing or Tampa Bay Landing until such conditions lessen.

Eastern Exposure to Vinoy Basin



5.1.4 Loading Ramps

Passenger boarding ramps are required to facilitate transfer of passengers between the shore and ferry vessel at the Vinoy Basin Landing. An existing ramp can be used to connect the barge to the shore (provided a professional design review is accomplished), while a smaller ramp will be constructed to facilitate passenger loading from the barge to the vessel. *See Exhibit 4 for sample drawing of ramps.*

5.1.5 Utilities – Upgrade for water and electricity activation

The City (through the Engineering department) is responsible for upgrading the existing utilities that will include water and power. Power requirements are 50-amp, 240VAC, single phase. The power station should accommodate a standard marine Hubble Style Connector.

5.1.6 Fueling and Waste Disposal

Fueling operations will be conducted at the Vinoy Basin location subject to U.S. Coast Guard approval. The ferry vessel requires as much as 1,200-gallons of diesel fuel per day. Additionally, a vacuum truck will be contracted for daily black-water/sewage pump outs.

5.1.7 Upland Facilities – Passenger Staging

It is recommended that the City set up a single 30' x 50' tent in proximity to the boarding area. The surrounding area will need to be fenced for security and passenger control. A secure ticket booth will be located inside the tent. The tent should include appropriate lighting and all required safety features required by City Code and the Fire Marshall for a structure of this type. Additional minor sidewalk and passenger amenities can be defined during project mobilization. Additional restroom facilities are not envisioned since permanent facilities are located near (a few hundred feet) the terminal.

5.1.8 Parking and Intermodal Transportation

Approximately 200 parking spaces are needed to serve the St. Petersburg-Tampa ferry schedule. There is ample parking adjacent to the St. Petersburg Terminal that can serve as the primary parking area. The City is responsible for providing ferry terminal and parking wayfinding signage. Links to transit and other related transportation infrastructure should include The Downtown Looper and the Central Avenue Trolley, which originate at the location of the St. Petersburg ferry terminal. The Downtown Looper provides circulator services within the downtown area, while the Central Avenue Trolley provides service down Central Avenue to the beaches. Both have free fare zones within the downtown core area. The Downtown Looper Service, otherwise, is a nominal \$.50 per passenger. The Central Avenue Trolley costs \$.50 per person to the Grand Central Station, and \$2.25 per person out to the Tradewinds Resort and Pass-A-Grille. Pinellas Suncoast Transit Authority (PSTA) has indicated that it would work in conjunction with the Pilot Project on developing a seamless marketing package and would evaluate the potential for discounted fares. There may also be significant opportunities to package combination bus and ferry tickets for beach hoteliers and destinations.

Given this is a Pilot Project, it is not practical to establish a single-fare card or point of payment. Providing a single integrated system and accounting for cash flow is too administratively complex for a limited Pilot Project. However, HMS, PSTA, and the Downtown Looper will work towards establishing a coordinated communications plan that presents riders with smooth links between the transit services.

An HMS ticket agent will be staged at the Vinoy Dock during regularly scheduled transit hours or to support special events. Ferry advertising will encourage patrons to use the online ticketing system, which allows the person to reserve a route for a specific date and time. Patrons will also be able to purchase tickets at the ticket booth on a first-come, first-serve basis, or purchase tickets for a later date. Ticket sales will also be supported aboard the vessel when no shore-side sales are open or available. In such circumstances, the Deckhand will sell tickets to walk-up passengers and the Mate will scan boarding passengers with pre-purchased tickets.

5.1.9 Regulatory Issues

Proposed marine improvements associated with the St. Petersburg Terminal require review and approval by the Army Corps of Engineers (ACE), Florida Department of Environmental Regulation and possibly other agencies. The City has retained AECOM under separate contract and AECOM has prepared and submitted a letter to the ACE requesting an exemption by the ACE for the minor improvements required at the St. Petersburg and Tampa sites. This review is expected to be completed expeditiously.

5.2 Tampa

5.2.1 Exact location of landing

The Tampa service can dock alongside the Seawall directly in front of, and managed by, the Tampa Convention Center (TCC). The ferry operation will benefit from ancillary amenities at this location including a covered public area with bathroom facilities, as well excellent visibility during convention events.

Excursion services from this location will be restricted and/or limited as a condition of its use.

Tampa Convention Center Ferry Landing



5.2.2 Identify landing modifications for ferry vessel

Minor modifications are required to land at the TCC's Seawall. Modifications include mounting three “D” style fenders directly to the face of the seawall.



The Seawall has proper bollards and cleats installed to accommodate docking. Three fenders need to be installed and 2-fenders need to be manufactured to accommodate passengers. See *Exhibit 5* for scale drawing of vessel docked at the convention center.

5.2.3 Specifications to manufacture aluminum loading ramp

Loading and unloading will be accommodated by both forward and aft loading gates. To facilitate boarding, upon arriving at the slipwall, two 6' boarding ramps will be positioned to accommodate passenger loading and unloading.



*Sample boarding ramp
for Tampa Convention
Center*

5.2.4 Utilities

Both power and water is available at the Seawall. The convention center can accommodate either 208V 3-phase or 480 VAC.

5.2.5 Upland Facilities – Passenger Staging - Covered Areas / Benches

Passenger comforts, including bathroom facilities, are readily available in the immediate area.



5.2.6 Parking – Identify public parking for Ferry Operations

Like St. Petersburg, there is a need for approximately 200 parking spaces during ferry operating hours. There is an abundance of parking facilities proximate to the TCC terminal. These include the public and privately-owned parking facilities in the table below.

Parking Options for Tampa Convention Center Ferry Landing

Facility	Owners	Spaces	Rates
Tampa Convention Center	City of Tampa	465	\$1.60/hr. - \$9.50 max
South Regional Garage	City of Tampa	1000	\$1.60/hr. - \$9.50 max
Ft. Brooke Garage	City of Tampa	2500	\$1.60/hr. - \$9.50 max
Lightning Florida/Water Street Surface Lot	Lightning Properties Limited	> 250	Variable

While there is an abundance of supply, parking capacity can be quite limited, and street congestion is significant on weekend nights when there is an event at Amalie Arena and/or concurrent event at the TCC. Generally speaking, the Ft. Brooke Garage has parking spaces available even during these peak times. HMS has also identified opportunities for remote private sector parking lots at the south end of downtown. These options can be further identified and developed if the need arises. In addition, the availability of high quality transit connections to the TCC terminal during operating hours provides an opportunity for additional remote parking as part of a ferry/transit coordination program.

5.2.7 Links to Transit

The TCC Terminal is directly proximate to the Tampa Streetcar system, which operates during the same operating hours as the St. Petersburg-Tampa weekend ferry service. The Greco Plaza Street car stop is a few minutes' walk from the TCC Ferry Terminal. Service is provided to Channelside and Ybor City. A roundtrip streetcar ticket costs \$5.00 per person. This price is likely to be discounted for ferry passengers. The streetcar system can add capacity, should there be market demand for doing so. The streetcars operate every twenty minutes.

The Tampa Downtown Partnership will also be operating an on-demand Downtowner Shuttle program using six-passenger electric low-speed vehicles. This is a free service that could potentially meet ferry passengers at the TCC and take them to a variety of destinations in the core downtown area. This is an app-based service that would also be advertised on the Project's website. This service would likely be available during all scheduled ferry operating hours.

There are several water taxi companies operating at or near the TCC. These include the Tampa Pirate Water Taxi service, which provides scheduled service during the Pilot Project operating hours. An all-day pass is \$15/adult, \$8 per child. The Pirate Water Taxi operates from its own dock at TCC.

The Tampa Water Taxi Company operates on an on-demand basis and provides both tours and group transportation. It can pick up passengers at the TCC docks.

5.2.8 Ticket Services

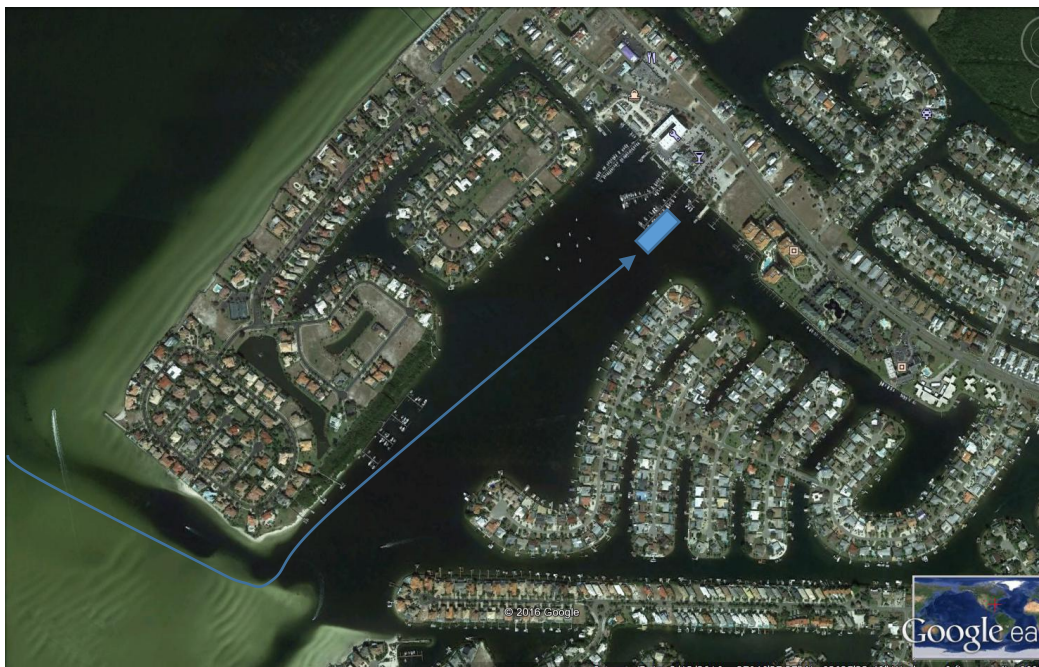
A ticket booth or similar finality will be located in vicinity of the vessel, either outside under covered area or inside in the public area. It will consist of a desk on casters, I-Pad, credit card scanner, and a Bluetooth printer for printing tickets. *For more ticketing information please refer to "Ticketing Section," page 23.*

5.3 Apollo Beach Service (Optional)

Hillsborough County requested, as part of the Business and Operations Plan development process, the evaluation of the feasibility of including ferry service within South Hillsborough County. HMS has identified the privately-owned land at 1112 Apollo Beach Blvd., next to Circles Restaurant. A land lease agreement on this property would be needed for the purpose of accommodating a temporary ferry landing, parking lot, and ticket and passenger waiting area. The lease agreement is contingent upon completion of a permitted channel dredging project by August 31, 2016 and satisfaction of all regulatory and funding contingencies.

The Apollo Beach Service option is contingent upon securing all required zoning, building, and environmental and maritime permits from relevant agencies. If a more extensive permitting process is required, it is possible that there would be insufficient time and resources available to mobilize the site to participate in the Pilot Project. Estimated location: N27⁰ 46.827' _W82⁰ 25.394'

Apollo Beach Landing



The box represents the barge location. The vacant lot shown will be used for parking. Also shown is the route that travels through the shallow channel. This is the area that will be dredged to 7.5’.

5.3.1 Barge Modifications

Similar physical modifications are required at Apollo Beach as are for the Vinoy Dock. Modifications include fenders, passenger loading block on-board the barge, and ramp to accommodate passenger loading from the vessel to the barge.

5.3.2 Specifications to manufacturer aluminum loading ramp

Like the Vinoy Basin Landing, a passenger boarding ramp will be built for the Apollo Beach Landing. One boarding ramp will be required to accommodate passenger loading between the barge and the shore. It is possible to incorporate a gantry that could accommodate lowering the boarding ramp to the shore to accommodate loading and unloading, and raise the ramp when not in use. This would eliminate the need for a semi-permanent ramp to shore.

5.3.3 Utilities

Electrical utilities are available at the site. It will be necessary to run conduit and electricity for parking lights and electricity to the ticket booth. No utilities will be available for the ferry.

5.3.4 Upland Facilities – Parking and Passenger Staging

The proposed Apollo Beach Terminal sits on 2.74 acres of vacant commercial property. The property currently has a PD mixed-use zoning that does not currently allow its use as a temporary terminal, staging area, and parking facility for water transit operations. HMS has had a preliminary meeting with Hillsborough County zoning officials who advised that these temporary uses may be approved through the Minor Modification procedure pursuant to the Hillsborough County Land Development Code. *This process takes approximately 45 days and requires notification of adjacent property owners and a public hearing.* The property owner has agreed to provide an authorization for these temporary uses. The site will likely require the following temporary improvements for the proposed use:

- Shell or other stabilizing material for portions of the parking lot
- Car stops such as railroad ties or other materials to define parking area and lanes
- Lighting for parking and boarding area
- Temporary pedestrian pathways from the parking area to the ticketing area and boarding ramps
- 30' and 50' tent for passenger staging area and environmental projection
- Temporary restrooms

5.3.5 Links to transit and related transportation infrastructure

There are no scheduled, existing public or private transit services to this location. Any transit would be limited to private groups that charter a bus or other vehicle to transport passengers to this location. This may well occur in connection with patrons in the Sun City Center area, but this will strictly be organized by 3rd party providers.

5.3.6 Ticketing Service

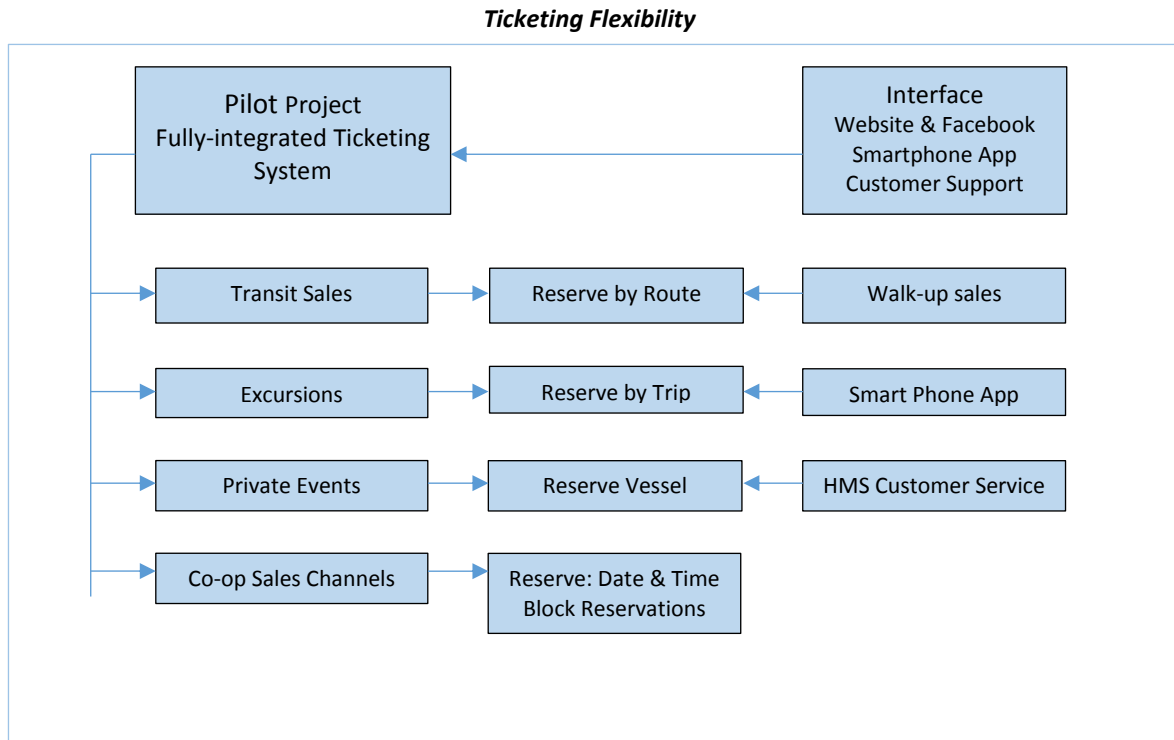
On-line ticketing will be encouraged. Passengers arriving with pre-purchased tickets will have priority boarding. A ticket booth will be supplied to house the ticket agent during normal working hours. Off-hours will be supported by shipboard crew.

5.3.7 Regulatory Issues

The Apollo Beach terminal is located in a Manatee Warm Water Aggregation Area (WWAA) which triggers greater regulatory scrutiny by the ACE. HMS and the City consulted with environmental permitting professionals as part of the development of this plan and met with the ACE. Based upon the input received, it is believed that ACE regulatory approvals could be secured for the proposed improvements at the Apollo Beach terminal, though this will require an unknown period of time to process, and could delay the permitting and mobilization of facilities and service at this location. This will not be known until a formal application is made to the ACE. The proposed budget does include funding for the initiation of ACE permitting activities, which would be the responsibility of a third-party environmental permitting contractor that has experience in handling ACE issues. This site will require a minor modification of its existing PD, a minor work permit and submerged land lease by Port Tampa Bay, and an Environmental Resource Permit from the FDEP.

6 Ticketing System

Key functionality, required when sourcing a ticketing system, is the ability to reserve individual runs by date and time. Additionally, the ticketing system should serve to support the project’s marketing and sales program.



Specialized functionality

- **Design / Customization:** HMS intends to use the Peek Pro⁵ on-line ticketing system. It is among the sleekest and easiest to use reservation systems on the market. It will be customized to the ferry’s exact requirements.
- **Channel Sales Tracking:** Track ticket sales and transactions by each sales channel such as each ticket booth or other ticketing stations.
- **Automated Email:** Completely customize automated emails (follow-up, confirmations, reminders, lists co-op marketing participants in the area traveling), help drive more TripAdvisor reviews.
- **Mobile-Optimized:** In addition to the website and Facebook sales functionality, the ticketing system provides smartphone optimization.
- **Mass Emails & Refunds:** Email all parties under a specific reservation at one time (cancellation, bad weather, etc.). Full or customized refunds with just one click
- **Others:** Promo codes, *digital gift card system*, complete customer lists, etc.

6.1 Sample Ticket System Screens

Below are sample screens used by other ticket system users. They are intended to provide a visual understanding of the types of screens that can be custom developed for the Pilot Project.

View Schedule by Calendar

FEBRUARY		March 2016 ▾					APRIL >	
SUN	MON	TUE	WED	THU	FRI	SAT		
FEBRUARY 28	29	MARCH 1	2	3	4	5		
6	7	8	9	10	11	12		
13	14	15	16	17	18	19		
20	TODAY 21	22	23	24	25	26		
	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times		
	Sunset Serenade view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times		
		Sunset Serenade view all times	Sunset Serenade view all times	Sunset Serenade view all times	Sunset Serenade view all times	Sunset Serenade view all times		
27	28	29	30	31	APRIL 1	2		
Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times	Dolphin Show view all times		
Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times	Adventure Tour view all times		
Sunset Serenade view all times	Sunset Serenade view all times		Sunset Serenade view all times	Sunset Serenade view all times	Sunset Serenade view all times	Sunset Serenade view all times		

View Schedule by List

LeBarge Tropical Cruises		Pick a Date
Monday, March 21 (today)		
•	Tropical Sunset Cruise: 6:30pm	
Tuesday, March 22		
•	Dolphin & Manatee Watch Cruise: 11:00am	
•	Sightseeing and Nature Cruise: 2:00pm	
•	Tropical Sunset Cruise: 6:30pm	
Wednesday, March 23		
•	Sightseeing and Nature Cruise: 2:00pm	
•	Tropical Sunset Cruise: 6:30pm	
Thursday, March 24		
•	Dolphin & Manatee Watch Cruise: 11:00am	

Sample Ticket Reservation by Date

Adventure Tour

1) Select Tickets [Redeem Gift Card / Promo Code](#)

1 **Adult** - \$50.00 each

0 **Children 5 years and under** - \$25.00 each

2) Select Date [View all Months >](#)

MARCH 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

About This Activity

This is a one of a kind tour up close and personal to Wild Dolphins. 99% of the time they get in the wake of the boat to st off and play. Then we head in to the Mangrove Forest through Estuary. To a lagoon where we park... [more ▾](#)

3) Select Time

2:00pm Only 2 tickets left

11:30am Sold Out

Powered by Peek.com

Sample Purchase Ticket

Billing & Credit Card Information

Name

First Name

Last Name

Zip Code

Country

Email

Phone Number

Credit Card Number

Expiration Date **CW**

1 - Jan ▾ 2016 ▾

Secure Credit Card Payment
This is a 2048-bit SSL encrypted payment

Powered by Peek.com

Track by Sales Channel

Marketing > Promo Codes > Hilton Hotel (George) + Add B

Details | Advanced Rules | View Redemptions

Name: Hilton Hotel (George)

Value: 10.00% | Fixed Amount | Percentage

Redemption Code: REQT71RL

Status: Active | Disabled | Redeemed








Max Redemptions: No Limit | 1 | 2 | 3 | 4 | 5 | Other...

Discount applies: Once per ticket
If enabled this code will apply the discount to every ticket within a booking instead of once for the whole booking.

Sample Reports

Reports + Add Booking | Search | Alexar

Sales

-  **Summary** How much did my business make, at a glance? Your total sales of all activities, add-ons and gift cards, broken down by type.
-  **Activities** Which activities generate the most revenue? Your total activity sales, broken down by activity.
-  **Add-ons** Which add-ons generate the most revenue? Your total add-on sales, broken down by add-on.
-  **Activities with Add-ons** How much revenue did my business make on a given activity in total including add-ons? Your total sales of all activities and add-ons, grouped by activity.
-  **Monthly Sales** How much did my business make per month? Your total sales of all products this year to date, broken down by month and activity.
-  **Manifest Based Sales** Your total sales of activities and add-ons today, broken down by activity and start time.
-  **Sales by Weekday** Which days has the most sales? Total sales of all products, by day of the week.

7 Marketing & Advertising

7.1 Overall Approach

A well-designed and executed Communication, Public Relations, and Marketing Plan is essential for the success of the Pilot Project.

7.1.1 Marketing Plan Timeline and Elements

The key benchmarks and deadlines for selecting the Marketing Contractor and the anticipated components of the Marketing Plan are as follows:

May 20 th	Request for information from Marketing Stakeholders about qualified firms
June 1st	Completion of scope of request for proposals and issuance of same to identified firms
June 10th	Deadline for Requests for Proposals (RFPs)
June 17th	Selection of 3rd party Marketing Contractor
July 8th	Finalization of Communication, Public Relations, and Marketing Plan
August 1st	Finalization of Pilot Project brand
August 19th	Soft launch of Pilot Project website and co-operative marketing outreach program
September 1st	Initiation of on-line retail ticket sales
October 1st	Pre-operational media and market activities commence as per the Marketing Plan
Week of October 17th	Pre-revenue service promotional and VIP events
November 1	Commencement of revenue service
November-April 2016	Implementation of post-start up public relations and marketing initiatives

These dates will be adjusted as necessary to reflect Pilot Project implementation schedules.

Brand - The Marketing Contractor will be responsible for branding the Pilot Ferry project. HMS has undertaken initial strategic steps to preserve likely URL's. Other options may be explored and developed by the Marketing Contractor.

Website - The Marketing Contractor will be responsible for working closely with HMS to develop a website that has full functionality and integration capabilities with the ticketing system adopted by HMS.

Social Media - The Marketing Contractor will be responsible for developing and implementing a robust social media campaign that integrates with both Market Stakeholders and co-operating marketing partners.

Co-operative Marketing Program - HMS has taken preliminary steps to gauge the market interest in the proposed service and the potential for co-operative marketing programs. As of the date of this Plan, over 50 businesses have indicated that they would likely participate in a co-operative marketing campaign to support the Pilot Project. Under such a program, businesses would offer discounts to ferry passengers and promote the ferry service in exchange for inclusion of such businesses in the marketing program. *A summary of the co-operative marketing survey results is attached Exhibit 6.*

Public Relations and Communication Plan - The Marketing Contractor will be responsible for developing a public relations and communications strategy for the Pilot Project. Part of this may entail a public education component related to water transportation, Tampa Bay Estuary, and water quality issues.

Sponsorship Program - The Marketing Contractor will be asked to evaluate and potentially develop a sponsorship program for the Pilot Project.

8 Route Assessment

8.1 Distances between various port facilities

The following routes have been identified to support scheduled service and excursion routes:

Route	1-Way Travel Time	Distance in NM
St. Petersburg to Tampa	55-minutes	18.13 NM
St. Petersburg to Apollo	40-minutes	11.23 NM
Apollo Beach to Tampa	45-minutes	12.55 NM
Skyway – Apollo Loop	90-minutes	31.07 NM
Skyway Excursion	90-minutes	29.46 NM

8.2 Summary of Routes

All routes operate within the boundaries of Tampa Bay, and are all subject to similar route assessments and conditions. All routes cross shallow open bay waters, and intersect with deep water channels.

Route Distances	11.23 ~ 31.07 nm
Route Description	Crossing open bay waters (average 12-ft) to intersect with major channel (Deep Water Range) connecting St. Petersburg with Downtown Tampa and Apollo Beach.
Speed Restrictions	No wake zone from southern tip of Harbour Island to Platt Street Bridge. During winter months vessel operator needs to be especially careful of manatees. Speed restrictions also in place in the manatee WWAA in and around Apollo Beach.
Weather Routing	Local USCG may shutdown service due to heavy sustained winds or weather conditions. Shallow waters are susceptible to heavy chop occurring rather quickly with NE or SW winds.
Navigational Hazard	Generally only other commercial traffic, including containerships, tug-barge, commercial fishing vessels, and miscellaneous recreational vessels. Depending on lunar cycle and wind direction, semi-diurnal tides can cause lower or higher than regular tides.
Hurricane Prepared	While hurricane and tropical storms are likely from June through November, the Tampa Bay area seems most vulnerable in June and October. During the Pilot Project’s months of operations, cold fronts may bring one or two freezes. These fronts may produce showers and strong, gusty winds; gales remain infrequent.

9 Regulatory Issues

This task will identify relevant regulatory issues and comment on potential strategies.

Location	Regulatory Agency	Permit Type	Proposed Deadline	Processing Time Frame	Permit Fees
Apollo Beach	Port of Tampa	Sovereign Submerge Lands Lease	July 11, 2016	45 Days	
Apollo Beach	Port of Tampa	Minor Work Permit	July 1, 2016	45 Days	
Apollo Beach	Hillsborough County	Minor Modification	July 1, 2016	45 Days	
St. Petersburg/ Apollo Beach	DEP	Environmental Resource Permit	June 1, 2016	30 Days	
Apollo Beach	Army Corps of Engineers	TBD by environmental subcontractor	June 15, 2016	Variable	
U.S. Coast Guard	Sector St. Petersburg	Review week of April 18 th	Conduct COI		

10 Proposed Ferry Vessel

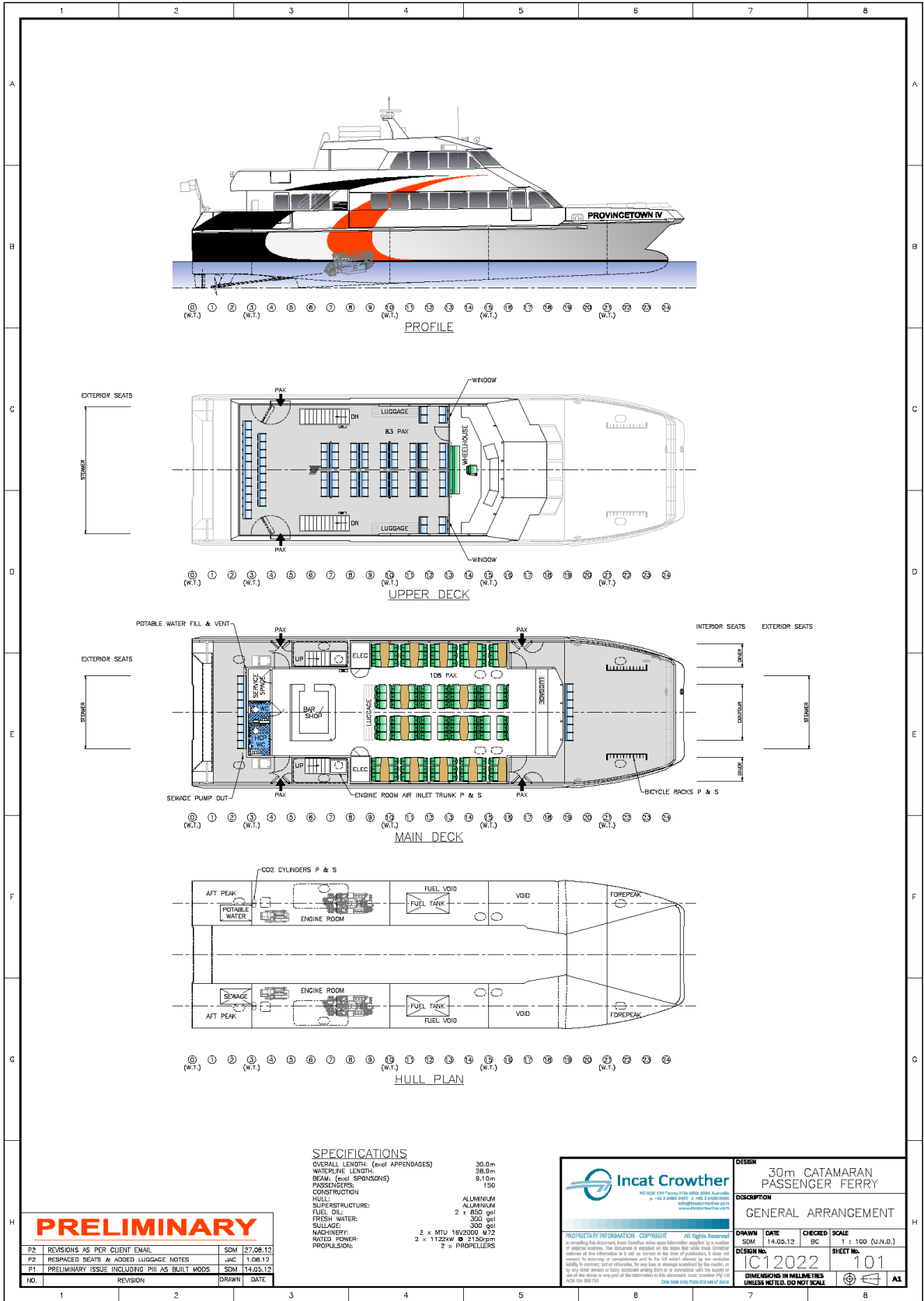
Based on the due-diligence / reconnaissance process, it was determined a single, 149-passenger, catamaran ferry will best serve the project objectives within cost constraints.

A market scan was conducted and the *Provincetown IV* was identified to be potential available for the projects. She is a U.S.-built, U.S. Coast Guard certified vessel, inspected under the requirements of 46 CFR, Sub-Chapter T (Small Passenger Vessels). She is currently located in the U.S. Northeast.

10.1 Vessel Description



Year Built:	2013, Gladding Hearn Shipyard
Length:	98'
Beam:	33'
Draft:	7'
Propulsion:	Propellers
Speed:	27 knots cruise, 29 knots top speed
Fuel Consumption:	140 gph at 29 knots
Engines:	MTU 162000 M72
Horsepower:	2 x 1,950 hp
Electrical Service:	Two Onan 30kw generators
Seating:	108 interior, 100 exterior
Passenger Capacity:	149 (USCG Sub-Chapter T regulations)
Additional Features:	Full Galley/Bar, Luggage Racks, MDI Ride Control,



Bicycle Racks



Interior and Exterior Seating



Food & Beverage Bar



10.2 Vessel Maintenance

10.2.1 Preventative Shore-side Support

Time will be scheduled to insure that sufficient time is available for preventative maintenance. The ship's Master is responsible for maintaining the vessel and the General Manager is responsible for scheduling. Maintenance will include shore-side, fueling, main engine, and auxiliaries servicing. While a 3rd party contractor is budgeted for weekly interior cleaning, the ship's crew will conduct routine cleaning and exterior cleaning of the vessel.

10.3 Crew Manning

The ship's crew consists of USCG licensed and unlicensed crew:

10.3.1 Licensed Crew

The ship's Master is a USCG licensed crew. The vessel is staffed with two rotating crew, scheduled 6-weeks on duty and 2-weeks off-duty. Two additional crew will be hired locally.

10.3.2 Deckhands

While HMS crew are trained deckhands and must complete rigid qualifications, USCG licensing is not required. Depending on local availability of crew, they may be local or rotating personnel.

10.3.3 Food and Beverage

The ferry vessel has the facilities to provide limited food and beverage service during ferry trips. A procurement process will be conducted to select two or three qualified concessionaires to provide wine, beer, soft drinks, and limited food service on board the ferry vessel. Each concession period would be exclusive to one vendor, and would include the opportunity to provide services during special events, charters, and scheduled service. Procuring experienced caterers will simplify project mobilization, and eliminate issues related to securing alcoholic beverage permits, cash management, and financial accounting. The Pilot Project could possibly receive a negotiated percentage of the sales revenue.

11 Budget

The budget for the Tampa Bay Pilot Project consists of three main areas, and is attached to this report at *Exhibit 7*.

11.1 HMS Fixed

The HMS Fixed costs budget include:

- Ferry vessel charter and crew, including routine maintenance and insurance
- Program management and administration, including office expenses and general liability included
- HMS management fee, including corporate overhead and profit

Subject to the final terms and conditions of the Management and Operations Agreement, HMS Ferries intends to provide a fixed quote for these aspects of the Pilot Project.

11.2 Allowance

These are costs that may never be included, and therefore should not be included in the fixed price. However, if these items are expended, HMS will require reimbursement.

- Vessel and/or terminal insurance deductibles
- Major mechanical repair items (not provided as routine maintenance under the charter agreement with the vessel owners)

11.3 Client Costs

Actually all the costs associated with the Pilot Project are “Client Costs” (the responsibility of the City).

However, HMS can “fix” the vessel and administrative costs and propose reasonable “allowance” costs.

“Client Costs” are those that HMS has researched and estimated and can facilitate for the client. They include:

- Fuel
- Terminals
- Insurance
- Marketing
- Contingency

Client Costs are not fixed and represent the best available information at this time. Client Costs will not be exceeded without prior written approval by the City.

If HMS procures Client Costs items (on behalf of the City), a handling fee of 5% will be added to the total amount.

It should be noted that a contingency of \$100,000 is included in the Client Cost estimates.