

Business and Operations Plan

The Cross Bay Ferry Inter-City Service

St. Petersburg - Tampa



Prepared For:

Hillsborough County
Deputy County Administrator
601 E Kennedy Blvd
Tampa, FL 33602

Prepared By:



June 1, 2021

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.....	5
3.1	HMS Ferries – Management Team	5
3.2	St. Petersburg Functional Operations	7
4	Service Description	11
4.1	St. Petersburg to City of Tampa Weekend Scheduled Service	11
4.2	St. Petersburg-Tampa Scheduled Commuter Service.....	11
4.3	Special and Private Events.....	11
4.4	April Sports Service.....	11
5	Facilities and Terminals	11
5.1	St. Petersburg.....	11
5.2	Tampa.....	15
6	Ticketing System.....	18
7	Marketing & Advertising	19
7.1	Overall Approach.....	19
8	Route Assessment	20
8.1	Distances between various port facilities.....	20
8.2	Summary of Routes.....	20
9	Regulatory Issues	21
10	Proposed Ferry Vessel	21
10.1	Vessel Description.....	21
10.2	Vessel Maintenance	25
10.3	Crew Manning	25
11	Budget.....	Error! Bookmark not defined.
11.1	HMS Fixed	26
11.2	Client Costs	26

1 Inter-City Ferry Project Overview

On April 7, 2021 the Hillsborough County Board of County Commissioners voted 6-1 to:

- (a) Authorize staff to bring back for future Board consideration an Agreement with HMS Ferries, Inc. ("HMS") and South Swell Development Group, LLC ("South Swell") for the purpose of inter-city ferry services. The City of St. Petersburg and HMS entered into a License and Operating Agreement on August 3, 2018, for HMS to manage and operate the seasonal ferry service between St. Petersburg and Tampa for up to three seasons (i.e., November 1 through April 30) commencing in November 2018. With the pending expiration of the current License and Operating Agreement, the City of St. Petersburg is prepared to issue a new solicitation for continued inter-city ferry service. Commissioner Kemp discussed with Mayor Kriseman having Hillsborough County (the "County") take the lead for this Agreement. Additionally, HMS & South Swell are agreeable for the County to negotiate an Agreement in lieu of St. Petersburg issuing a new solicitation. The County's Public-Private Partnership (P3) solicitation for Ferry Service and the preceding unsolicited proposal from HMS & South Swell, included off-peak specialty service between South Hillsborough County, downtown Tampa and downtown St. Petersburg. As a result, the County is able to negotiate an Agreement with HMS & South Swell for continued inter-city service in lieu of the City of St. Petersburg issuing a new solicitation. (b) Develop for future consideration a Funding Agreement between Hillsborough County, the City of Tampa, St. Petersburg, Pinellas County, as well as other funding opportunities for funding the inter-city ferry service. There is no cost for development of these Agreements.

The following is the general concept of operations that HMS Ferries (HMS) recommends for the Cross-Bay Ferry Inter-City Service. As outlined, each year the service period increases and the per-month subsidy decreases, which equates to increasing service and decreasing subsidy. This is the result of expected annual increase in ridership during each subsequent year of operation, stemming from the ability of HMS to market, and for the market to rely upon, predictable service. As part of its partnership agreement, HMS is assuming this risk of ridership increases.

Summary of Project Scope

Task	HMS Responsibility	County Responsibility
Key Contracts	<ul style="list-style-type: none"> • Ferry Vessel Charter • Barge – Dock Contract(s) • Service Agreements • Docks and Gangways Installation • Marketing Contract 	<ul style="list-style-type: none"> • Development of contract for the Inter-City contract between Hillsborough County and HMS.
Marine Management	In HMS scope	N/A
Marine Operations	HMS scope	N/A
Marine Administration and Ticketing	In HMS scope	N/A
Project Customer Support	In HMS scope	N/A
Maritime Facilities Development	HMS lead in coordination with the City of St. Petersburg and the Tampa for dock permitting	N/A
Marketing Contractor Procurement and Support	In HMS scope	N/A
Scheduling	In HMS scope; will consult with the County in continual refinement of best overall schedule.	HMS will work in conjunction with the County to continually refine the best schedule to maximize ridership.
Fares / Pricing	In HMS scope; will consult with the County in continual refinement of best overall pricing.	County will work in conjunction with HMS to continually refine the pricing to cover the risks of expanded service.
Terminal - Marine Environmental Regulatory	Not in HMS scope, but will support the City of St. Petersburg as required.	N/A
Terminal - Landside St. Petersburg	HMS to support the City of St. Petersburg's efforts permitting temporary docks used in the Vinoy Basin.	N/A
Insurance	<ul style="list-style-type: none"> • Vessel Hull and Machinery, P&I and General Liability. • Docks, gangways, landside property, or P&I insurance. • Business interruption. 	N/A
Maintenance	Routine Maintenance	N/A

Coast Guard Inspections and Approvals	In HMS scope	N/A
Concession Services	In HMS original scope	N/A
Marketing & Advertising	In HMS scope	N/A
Routine Vessel Maintenance	In HMS scope	N/A
Major Mechanical	In HMS scope	N/A

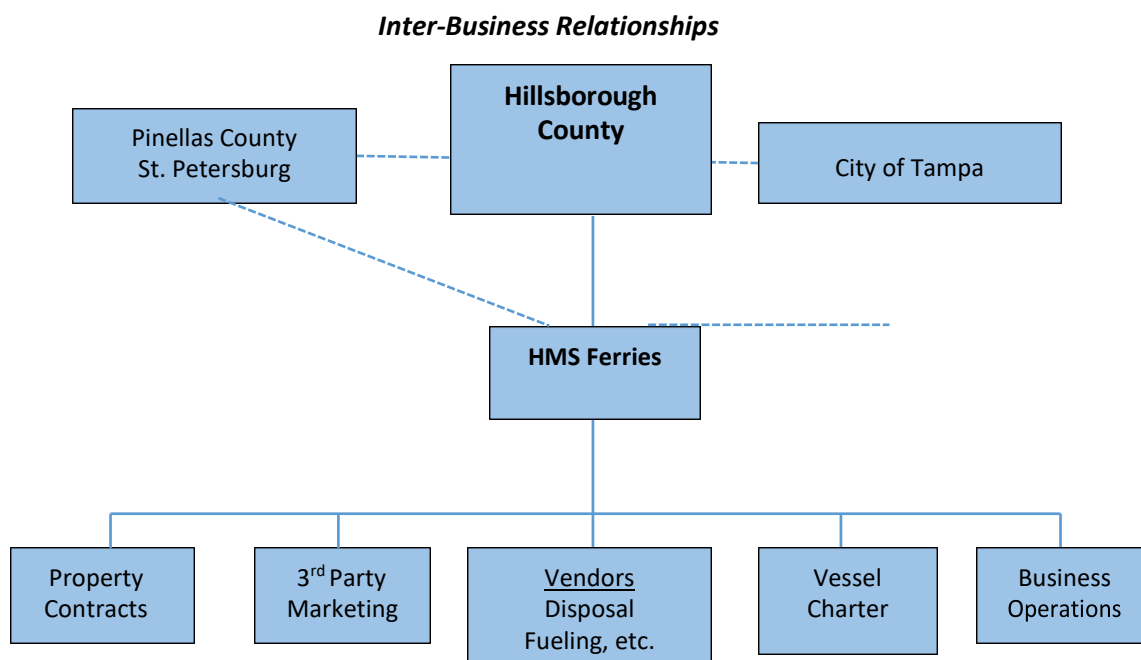
2 Business Overview

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 this Project are Hillsborough County (the County) and HMS Ferries, Inc. (HMS). The following organizational chart illustrates relations between the parties:



2.2 Key Contract Items

- 2.2.1 Management and Operations Agreement – Hillsborough County and HMS Ferries, Inc.
- 2.2.2 Ferry Vessel Charter – HMS and Vessel Owner
- 2.2.3 Barge Dock Contracts – HMS and Barge Company
- 2.2.4 Property/Landing Contracts – City and terminal / land owners
- 2.2.5 HMS Services Agreements – HMS and Fuel, Pump out, Cleaning, and Concessions
- 2.2.6 City Service Agreements – Landside electrical and perimeter fencing
- 2.2.7 Marketing – HMS and Marketing Partner

2.3 Summary of Services

Inter-City Service will provide a minimum of 32 one-way, scheduled passenger ferry trips between St. Petersburg and Tampa per week. Charters or excursion demonstration services can be offered to maximize passenger totals and revenue.

The ferry's general operating schedule will be reviewed and approved by the County each year to ensure it meets the needs of the entire Tampa Bay community. This schedule is expected to be adjusted during the course of the service season to account for specific events and holidays.

2.4 Project Objectives

The primary objective of Inter-City Service is to provide safe and efficient passenger ferry transportation between St. Petersburg and Tampa Bay.

In providing no less than 32 one-way trips per week, HMS will adjust the *Cross Bay Ferry* Inter-City schedule and pricing to meet the market demand for each month, as events in the Tampa Bay community influence ridership.

In addition, Inter-City Service will gain a wide range of information and data that can be used to further measure ridership demand. 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 for future Tampa Bay ferry operations.

2.5 Financial Summary

HMS is proposing a four-year Business and Operations Plan, with the County' and participating government's monthly subsidy decreasing each year due to increased ridership and revenue.

See the attached Proforma.

3 HMS St. Petersburg Operations

3.1 HMS Ferries – Management Team

The management support team offered by HMS will be the exact same professional On-Site management team off-site Management Support team as was provided during the previous years of Cross Bay Ferry service. The on-site team's only job is to make the *Cross Bay Ferry* Inter-city service a success and will not be pulled for other work.

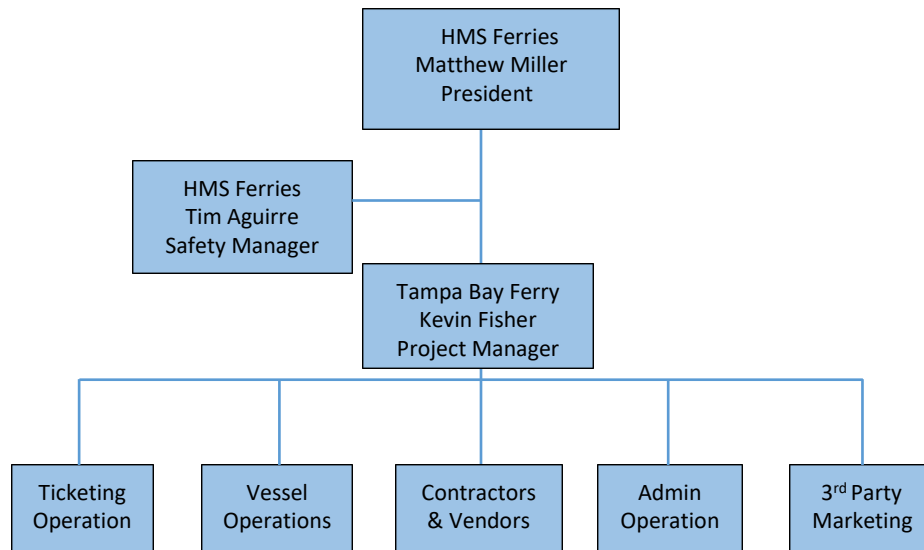
3.1.1 (OFF-SITE) Project Support Team HMS

- Ferries – Headquarter Support
- Contract Management
- Fleet Safety Officer
- Administrative Support
- Fleet Technical Support

3.1.2 (ON-SITE) Project Management

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

**HMS Ferries
Project Organization Chart**

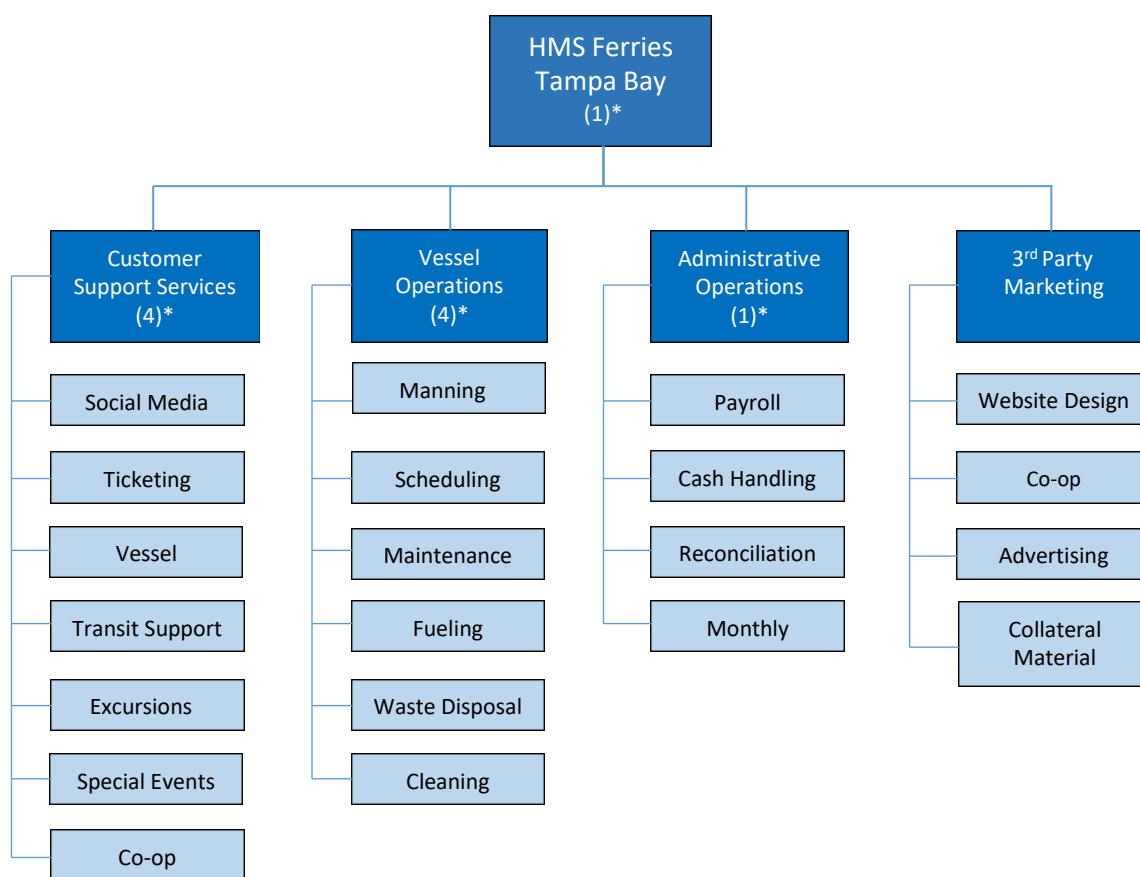


3.2 Tampa Bay Functional Operations

HMS local operations management and support team will be located in St. Petersburg as it is the only location that can accommodate overnight storage and support of the chartered ferry vessel. Key personnel will support administrative operations, customer services, and vessel operations, as well as manage third-party contracts and services and community outreach.

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

Tampa Bay Functional Operations Diagram



*Asterisk represents number of persons in each role

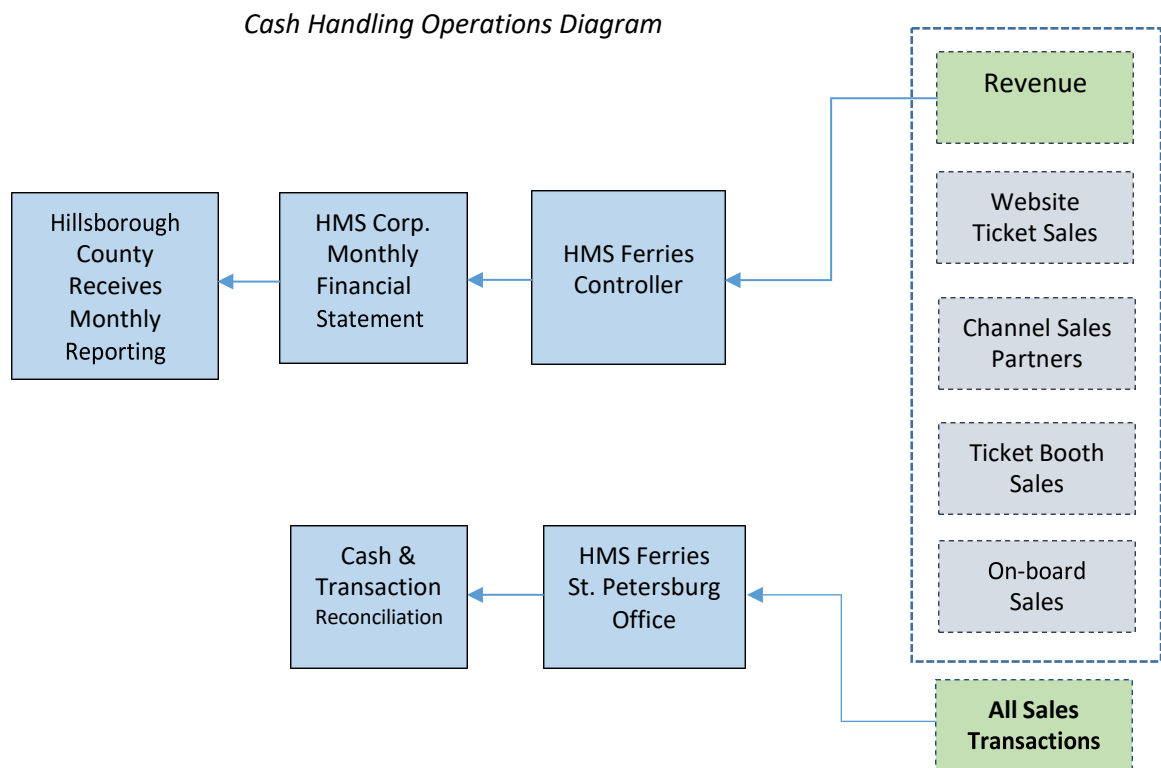
3.2.1 Project Manager

The Inter-City Service 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 Inter-City Service 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 Tampa Bay Office, HMS Corporate Offices, and the County. The Inter-City Service Manager has no other duties other than management of the inter-city, which is not a model that many operators can offer.

3.2.2 Administrative Operations

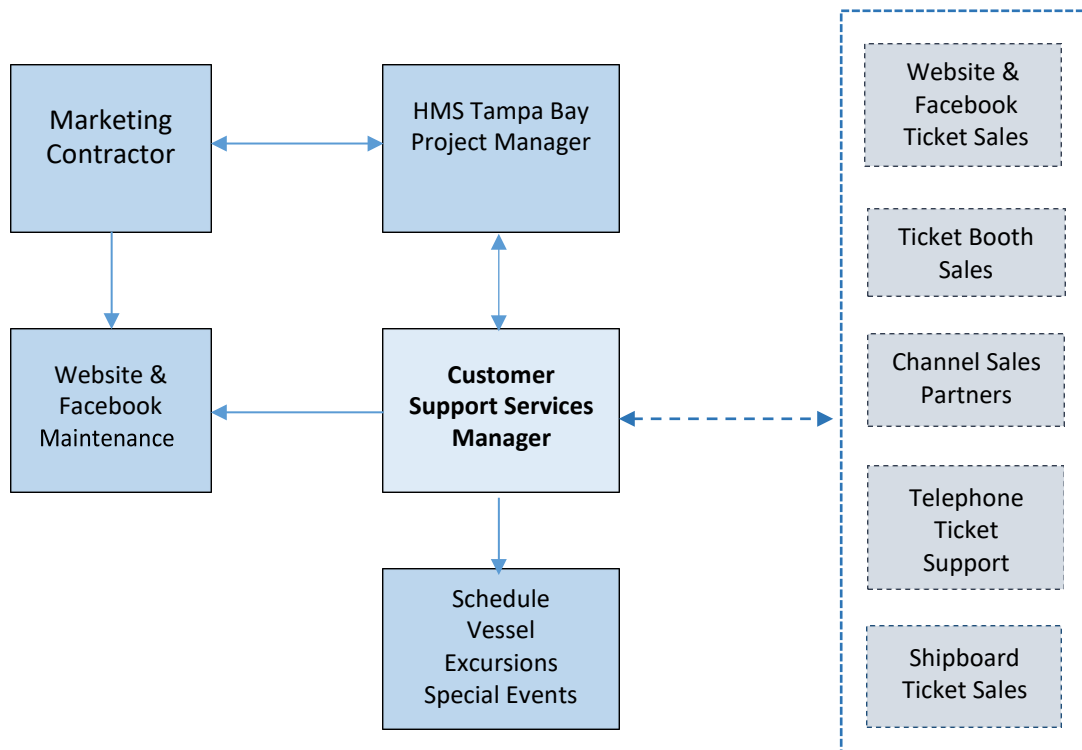
The Administrative Support person is responsible for ensuring all cash handling, reconciliation, monthly reporting and interfacing with the HMS Corporate Controller and client are accomplished accurately and efficiently. Standard Operating Procedures specifically describe every step of the cash-handling operation.



3.2.3 Customer Support Services

The Customer Support Manager oversees the customer support line, and ticket booth operations, as well as interface with the co-op marketing participants. Additionally, this department has day-to-day responsibility for Social Media content, the ferry operation’s ticketing system, and interface with Third Party support vendors.

Customer Support Services Diagram



3.2.4 Marketing Team

HMS will also handle all the marketing for the project in conjunction and consultation with the County. HMS will ensure government partners are recognized in all their marketing materials.

The Marketing Plan: HMS continues to build upon the positive branding and the exceptional advertising and marketing associated with the past years of *Cross Bay Ferry*. HMS’ marketing plan includes continuing to work with stakeholders that include Visit St. Petersburg/Clearwater, Visit Tampa Bay, the Tampa Downtown Partnership, the St. Petersburg Chamber of Commerce, and the greater Hillsborough County business associations.

3.2.5 Vessel and Vessel Operations

In support of Inter-City Service, HMS has entered in a charter agreement with Bay State Cruise Company to provide the *Provincetown III* passenger ferry. There are very few high-speed passenger ferries in the United States that meets the pristine quality and condition of the *Provincetown III*.

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

- Delivery of the vessel to Tampa Bay prior to the start of each season
- 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 Inter-City Service 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 weekend transit between St. Petersburg and downtown Tampa is intended to run Friday, Saturday and Sunday.

4.2 St. Petersburg-Tampa Scheduled Weekday Service

In learning from the passenger demand from previous years, HMS plans to continue to provide flexible and adaptive scheduling throughout the performance period.

The Tampa terminal will be located at the Tampa Convention Center. This site is served by the Tampa Streetcar line, and the St. Petersburg site is served by several PSTA transit routes. HMS will continue to schedule weeknight schedule to provide connections between downtown entertainment and events venues, and continue to operate service on all nights when the Tampa Bay Lightning is playing home games.

4.3 Charter and Specialty Cruises

Special ferry operations will 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, major sporting events, and the St. Petersburg Grand Prix. Such service would be outside of the regular operating schedule and not affect the overall budget of this Project.

4.4 Spring Sports Service

The potential for Tampa Bay Lightning games and the start of the regular baseball season presents unique opportunities for event service in the spring of each year. It may be desirable to adjust schedules to coincide with sports fan travel for these events during mid-week. Weekend schedules will be met to meet the travel demands for these games.

4.5 Fare Pricing

Fare pricing will range from \$8-12 for a one-way adult ticket, and lower fare for children, disabled, military, and seniors.

5 Facilities and Terminals

5.1 St. Pete

The following is a description of the primary ferry landing and includes required modifications, at St. Petersburg

5.1.1 Location of St. Petersburg landing

A temporary 20' x 80' landing will again be provided by using four (4) 10' x 40' barge units, which will be secured into place with "spuds" in the Vinoy Mooring Basin, in the similar fashion to the Pilot Project. 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. As in past years, HMS will coordinate with the City of St. Petersburg to secure any regulatory approvals for this dock, as well as enter into appropriate agreements.



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 will continue to manage the logistics for contracting the barges, their delivery to the Vinoy Basin location, and required barge modifications. The St. Pete dock is part of the HMS budget. This configuration has proved extremely customer friendly during previous years of operation.

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 Tampa 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 will 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.

All ramps and brows are ADA compliant and are of the same design and specifications used in the Pilot Project.

5.1.5 Utilities – Upgrade for water and electricity activation

HMS will work with the City of St. Petersburg (through the Engineering department) for providing utilities that include water and power. **Power requirements are 50-amp, 240VAC, single phase. The power station needs to accommodate a standard marine Hubble Style Connector.**

5.1.6 Fueling and Waste Disposal

HMS shall be responsible for fueling operations that are conducted via truck at the Vinoy Basin location subject to U.S. Coast Guard's continued approval. The ferry vessel requires as much as 1,200-gallons of diesel fuel every other day. Additionally, a vacuum truck is contracted for daily black-water/sewage pump outs.

5.1.7 Upland Facilities – Passenger Staging

A secure ticket booth will be located at the foot of the dock, and additional minor sidewalk and passenger amenities have previously been addressed. 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

Public parking spaces are available in both the St. Petersburg and Tampa area. There is ample parking adjacent to the St. Petersburg Terminal that can serve as the primary parking area. HMS will provide ferry terminal and parking wayfinding signage. Links to transit and other related transportation infrastructure will 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.

An HMS ticket agent is staged at the Vinoy Dock during regularly scheduled transit hours or to support special events. Ferry advertising encourages patrons to use the online ticketing system and/or Mobile Application, 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.

5.1.9 Dock/Shore Side Regulatory Issues

Proposed marine improvements associated with the St. Petersburg Terminal require review and approval by the Army Corps of Engineers (USACE), Florida Department of Environmental Regulation and possibly other agencies. HMS will coordinate with the City of St. Petersburg for dock/shore side permitting.

5.2 Tampa

5.2.1 Landing

HMS will coordinate with the City of Tampa to allow the ferry to dock alongside several different locations depending on the service. Routine service is accomplished on the Seawall directly in front of, and managed by, the Tampa Convention Center (TCC). The ferry operation benefits from ancillary amenities at this location including a covered public area with bathroom facilities, as well excellent visibility during convention events. This dock configuration was used several times during the Pilot Project.

Tampa Convention Center Ferry Landing



5.2.2 Identify landing modifications for ferry vessel

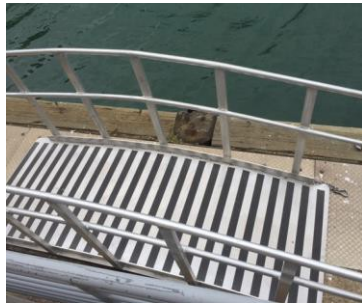
Minor, temporary modifications by HMS are required to land at the TCC's Seawall prior to each season. Temporary modifications include mounting three "D" style fenders directly to the face of the seawall, which have been approved by the Port and used in previous years.



The Seawall has proper bollards and cleats installed to accommodate docking.

5.2.3 Specifications to manufacture aluminum loading ramp

Loading and unloading is 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. All ramps are ADA compliant.



Boarding ramp for Tampa Convention Center

5.2.4 Utilities

Both power and water are available at the Seawall if needed. 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

In Tampa 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 Streetcar stop is a few minutes' walk from the TCC Ferry Terminal. Service is provided to Channelside and Ybor City.

Future operations of the Tampa Downtowner are in flux. However, based upon passenger surveys over the past three years, this has been a rarely used option, and its discontinuation would not have a material impact on ferry ridership or operations.

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.

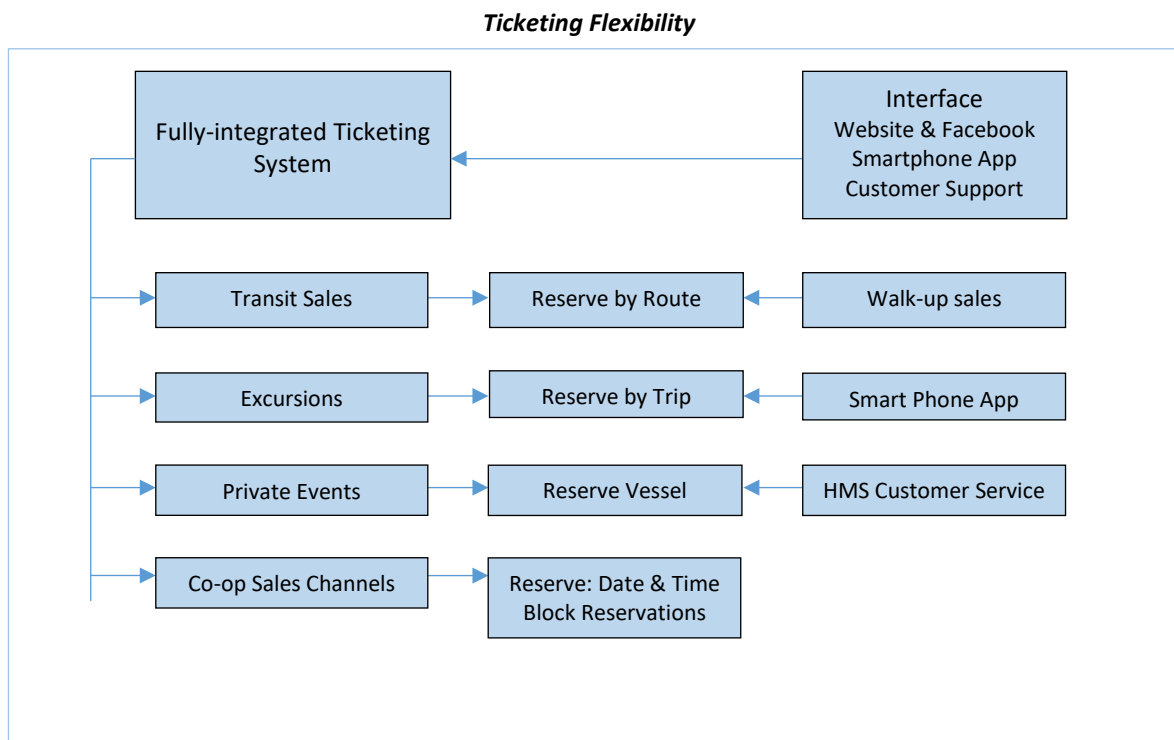
The Tampa Water Taxi Company operates on an on-demand basis and provides both tours and group transportation. It can pick up passengers at the TCC docks.

5.2.8 Ticket Services

A ticket booth 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, iPad, credit card scanner, and a Bluetooth printer for printing tickets.

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 will serve to support Inter-City Service’s marketing and sales program. An overview of the ticketing system functionality is provided below.



Specialized functionality

- **Design / Customization:** HMS will use the same mobile app and online ticketing and reservations systems it has used in previous years.
- **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 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.

7 Marketing & Advertising

7.1 Overall Approach

Brand – HMS will be responsible for all inter-city ferry branding and marketing.

Website – HMS will maintain the current website that has full functionality and integration capabilities with the ticketing system adopted by HMS.

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

Public Relations and Communication Plan – HMS will develop and execute a public relations and communications strategy. Part of this may entail a public education component related to water transportation, Tampa Bay Estuary, and water quality issues.

Sponsorship Program – HMS will evaluate and develop a sponsorship program.

8 Routes

8.1 Distances between Ferry Landings

The following routes will continue to support scheduled service and excursion routes:

Route	1-Way Travel Time	Distance in NM
St. Petersburg to Tampa	55-minutes	18.13 NM

8.2 Summary of Route

The route 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.
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 Preparedness	While hurricane and tropical storms are likely from June through November, the Tampa Bay area seems most vulnerable in June and October. During the months of operations, cold fronts may bring one or two freezes. These fronts may produce showers and strong, gusty winds; gales remain infrequent. HMS is responsible for hurricane preparation and evacuation of the vessel. Respective owners of shoreside facilities are responsible for hurricane preparation of their facilities.

9 Regulatory Issues

Location	Regulatory Agency	Permit Type	Proposed Deadline	Processing Time Frame	Responsible Party
St. Petersburg	DEP Army Corps	Environmental Resource Permit	September 1 of each season	30 Days	St. Pete
U.S. Coast Guard	Sector St. Petersburg	New to Zone COI	Sept 28 of each season	30 Days	HMS

10 Ferry Vessel

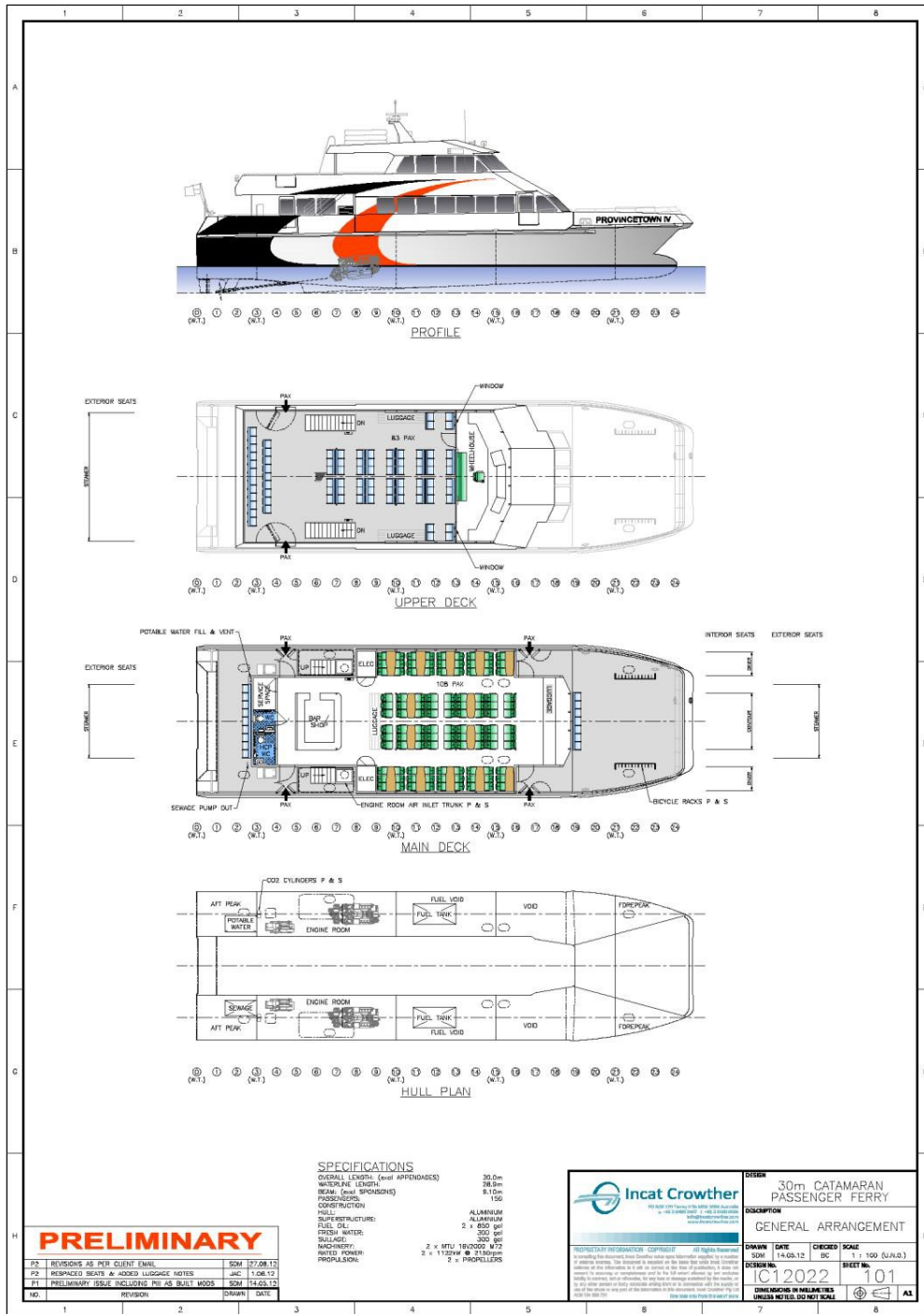
HMS has again secured the *Provincetown III* for this Project and has an agreement with the vessel owner. It is a state of the art, high-speed, 149-passenger catamaran ferry that provides a world class customer experience, that includes food and beverage service. She is a U.S.-built, U.S. Coast Guard certified vessel, inspected under the requirements of 46 CFR, Sub-Chapter T (Small Passenger Vessels). Any deviations from use of the *Provincetown III* shall require approval of the County.

10.1 Vessel Description - Provincetown III



Passenger Ferry *Provincetown III*

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 ensure sufficient time is available for preventative maintenance. The ship's Master is responsible for maintaining the vessel and Inter-City Service 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 the 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.

11 Budget

The budget for Inter-City Service consists of two main areas.

11.1 HMS Fixed Costs

The HMS Fixed costs budget include:

- Vessel Ops: Ferry vessel charter and crew, including routine maintenance, fuel, oils and insurance.
- Mobilization: Preparing the vessel and docks; hiring and training of shipboard and shoreside crew; administrative logistics; fueling; deliver of the vessel; pre-operation training; ticketing and website update; advertising and marketing.
- Operations Management and Administration: Includes program management and administration, including office expenses and general liability included.
- Terminals: Includes construction of St. Pete dockage and Tampa seawall configuration, ramps, gangways, ticket booths.
- Marketing, Sales, Survey.

11.2 Client Costs

The Proforma for each of the next four-plus seasons is attached.

EXHIBIT B

[INTENTIONALLY LEFT BLANK]

EXHIBIT C

PROJECT COST SUMMARY

Inter-City Service
Project Cost Summary (2021-2022)
October 1, 2021 - April 30, 2022

Proforma				Notes	
Vessel Ops		\$ 685,598		Turn-Key: Includes vessel deliver and redelivery; vessel crew; fuel; oils; supplies.	
Operational Mgmt and Admin		\$ 104,112		Includes: A dedicated, on site team, working just for this project; administrative reporting; ops reporting; customer service; ticketing; scheduling; community outreach.	
Sub-Total		\$ 789,710			
Additional					
Terminals		\$ 82,622		Includes: Dock construction in St. Pete and Tampa; insurance; terminal supplies; terminal tent; ticket booths.	
Marketing, Sales and Survey		\$ 27,668			

Sub-Total		\$	110,290					
TOTAL PROJECT COSTS		\$	900,000					
Credits:								
	Revenue Credit	\$	200,000					
Subsidy		\$	700,000					
PAYMENT TERMS								
Mobilization: Preparing the vessel and docks; hiring and training of shipboard and shoreside crew; administrative logistics; fueling; deliver of the vessel; pre-operation training; ticketing and website update; advertising and marketing.						\$	145,000	Per Section 10.2
For each month of service						\$	78,571	Per Section 10.2
						\$	78,571	Per Section 10.2
						\$	78,571	Per Section 10.2
						\$	78,571	Per Section 10.2
						\$	78,571	Per Section 10.2
						\$	78,571	Per Section 10.2
						\$	78,571	Per Section 10.2
						\$	700,000	

Inter-City Service
Project Cost Summary (2022-2023)
October 1, 2022 - May 30, 2023

<u>Proforma</u>				<u>Notes</u>	
<u>Vessel Ops</u>		\$ 685,598		Turn-Key: Includes vessel deliver and redelivery; vessel crew; fuel; oils; supplies.	
Operational Mgmt and Admin		\$ 104,112		Includes: A dedicated, on site team, working just for this project; administrative reporting; ops reporting; customer service; ticketing; scheduling; community outreach.	
Sub-Total		\$ 789,710			
Additional					
Terminals		\$ 82,622		Includes: Dock construction in St. Pete and Tampa; insurance; terminal supplies; terminal tent; ticket booths.	
Marketing, Sales and Survey		\$ 87,668			

Inter-City Service
Project Cost Summary (2023-2024)
October 1, 2023 - June 30, 2024

Proforma				Notes	
Vessel Ops		\$ 735,598		Turn-Key: Includes vessel deliver and redelivery; vessel crew; fuel; oils; supplies.	
Operational Mgmt and Admin		\$ 104,112		Includes: A dedicated, on site team, working just for this project; administrative reporting; ops reporting; customer service; ticketing; scheduling; community outreach.	
Sub-Total		\$ 839,710			
Additional					
Terminals		\$ 82,622		Includes: Dock construction in St. Pete and Tampa; insurance; terminal supplies; terminal tent; ticket booths.	
Marketing, Sales and Survey		\$ 87,668			

Sub-Total		\$	170,290			
TOTAL PROJECT COSTS		\$	1,010,000			
Credits:						
	Revenue Credit	\$	200,000			
Subsidy		\$	810,000			
PAYMENT TERMS						
Mobilization: Preparing the vessel and docks; hiring and training of shipboard and shoreside crew; administrative logistics; fueling; deliver of the vessel; pre-operation training; ticketing and website update; advertising and marketing.						
				\$	150,000	Per Section 10.2
For each month of service				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	73,333	Per Section 10.2
				\$	810,000	

Inter-City Service
Project Cost Summary (2024-2025)
October 1, 2024 - September 30, 2025

Proforma				Notes	
Vessel Ops		\$ 945,598		Turn-Key: Includes vessel deliver and redelivery; vessel crew; fuel; oils; supplies.	
Operational Mgmt and Admin		\$ 104,112		Includes: A dedicated, on site team, working just for this project; administrative reporting; ops reporting; customer service; ticketing; scheduling; community outreach.	
Sub-Total		\$ 1,049,710			
Additional					
Terminals		\$ 82,622		Includes: Dock construction in St. Pete and Tampa; insurance; terminal supplies; terminal tent; ticket booths.	
Marketing, Sales and Survey		\$ 87,668			

				\$	72,500	Per Section 10.2
				\$	72,500	Per Section 10.2
				\$	1,020,000	

EXHIBIT D

In the event of termination of the Agreement, payments to Operator or refunds by Operator shall be in accordance with the following:

Scenario 1: If the Operator fails to mobilize and initiate services due to no fault of the Operator, and does not cure in accordance with and pursuant to the Agreement, Operator will refund all funds paid by the County minus any documented expenses, acceptable to the County, which are not reimbursable by others.

Scenario 2: If Operator is solely at fault for failing to launch the Ferry Service and does not cure in accordance with and pursuant to the Agreement, Operator will refund all funds paid by the County.

Scenario 3: After operations commence if Operator fails to deliver the Ferry Service in accordance with the Agreement and does not cure in accordance with and pursuant to the Agreement, Operator will be paid on a pro-rata basis based on the number of days the Ferry Service operated times the seasonal ferry service daily rate. The seasonal ferry service daily rate shall be calculated in accordance with this Agreement by taking the total maximum cost for the season divided by the number of days for such season.

Scenario 4: If the County fails to perform its obligations and does not cure in accordance with and pursuant to the Agreement, payment to Operator shall be as described in scenario 3 plus up to \$50,000 for any documented and County authorized expenses.

Scenario 5: If termination due to a Force majeure event, payment to Operator shall be as described in scenario 3 plus up to \$50,000 for any documented and County authorized expenses, including a pro-rata portion of the \$200,000 revenue credit provided for in Exhibit C.

Scenario 6: If termination because Vessel is damaged, by no fault of the Operator, and not repaired/replaced in thirty (30) days, payment to Operator shall be as described in scenario 3 plus up to \$50,000 for any documented and County authorized expenses.

Scenario 7: If termination because Vessel is damaged and not repaired/replaced in thirty (30) days due solely to the fault of Operator, payment to Operator shall be as described in scenario 3.

Scenario 8: If termination because damage to Submerged Area and/or Upland Area, by no fault of the Operator, and not repaired/replaced pursuant to the Agreement, payment to Operator shall be as described in scenario 3 plus up to \$50,000 for any documented and County authorized expenses.

For Scenarios 1 & 3 through 8 above, in the event the amount of the payments made by the County to Operator pursuant to the Agreement is more than the amount that Operator is owed for termination based on such scenarios, Operator shall refund the County the amount equal to the difference of payments made by the County minus the amount owed to Operator for termination based on scenarios 1 & 3 through 8. Operator shall pay such amount within thirty (30) days after the effective date of termination.