

EXHIBIT A

LICENSE AND OPERATING AGREEMENT

Between

The City of St. Petersburg, Florida

and

HMS Ferries, Inc.

THIS LICENSE AND OPERATING AGREEMENT ("Agreement") is made and entered into this 3rd day of August, 2018 ("**Effective Date**"), by and between the City of St. Petersburg, Florida, a municipal corporation ("**City**") whose post office address is Post Office Box 2842, St. Petersburg, Florida 33731-2842, and HMS Ferries, Inc. ("**Operator**") whose principal place of business is 222 Pearl Street, New Albany IN 47150, and having its post office address at 600 Ericksen Avenue NE., Suite 350, Bainbridge Island, WA 98110, (collectively, "**Parties**").

WITNESSETH:

WHEREAS, the City, together with Pinellas County, Florida, the City of Tampa, Florida and Hillsborough County, Florida, seek to re-establish a seasonal passenger ferry service ("**Ferry Service**") between the cities of St. Petersburg and Tampa; and

WHEREAS, the Ferry Service is a seasonal ferry transit operation that will provide direct service from downtown St. Petersburg to downtown Tampa from November 1 through April 30 for up to three years, commencing on November 1, 2018; and

WHEREAS, on March 20, 2018, the City issued Request for Proposals No. 6831 ("**RFP**") for a passenger ferry operator to operate the Ferry Service for up to three seasons; and

WHEREAS, City selected Operator to manage and operate the Ferry Service; and

WHEREAS, as part of its RFP response, Operator submitted the Business and Operations Plan dated April 10, 2018, and including any future addenda, or additions or modifications thereto, as agreed to by the Parties (collectively, "**Operations Plan**"), as set forth in **Exhibit "A"**; and

WHEREAS, Operator represents that it possesses the skills, experience, and resources, including financial resources, necessary to perform all the obligations set forth in this Agreement, including the Operations Plan; and

WHEREAS, the Parties have agreed to the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the promises and covenants contained herein, the Parties agree as follows:

1. **RECITATIONS:** The above recitations are true and correct and are incorporated herein by reference.

2. TERM: The term of this Agreement shall commence on the Effective Date and terminate on May 1, 2021 ("Term"), unless earlier terminated as provided for herein.
3. OBLIGATION TO OPERATE A SEASONAL FERRY SERVICE: Subject to Paragraph 17, Operator shall provide the seasonal Ferry Service in accordance with this Agreement, including the Operations Plan. Operator shall commence the operation of the Ferry Service on November 1 each year during the Term and continue the operation of the Ferry Service through April 30 each year during the Term. The commencement date for operation of the Ferry Service is subject to the City fulfilling its obligations related to the Terminal Facilities pursuant to Paragraph 9.1.
4. LICENSE: The City hereby grants to Operator a license to occupy and use, as described herein and subject to all of the terms and conditions hereinafter stated, that submerged land area lying within the North Yacht Basin ("**Submerged Area**") and the adjacent upland area ("**Upland Area**"), in addition to all ingress, egress and approaches thereof and thereto. The Submerged Area and the Upland Area are illustrated in Exhibit "B". All references in this Agreement to Submerged Area shall include the Maritime Facilities as hereinafter defined. All references in this Agreement to Upland Area shall include the Terminal Facilities, as hereinafter defined. For seasons two and three of the Ferry Service, the Parties may mutually agree to different submerged land area lying within the North Yacht Basin or South Yacht Basin and adjacent upland area. In the event the Parties agree to a different submerged land area lying within the North Yacht Basin or South Yacht Basin and adjacent upland area for season two and/or season three of the Ferry Service, the Parties shall execute an amendment to revise Exhibit B and any other necessary paragraph.
5. OPERATING HOURS DEFINED: For purposes of this Agreement, "Operating Hours" shall mean those hours during which any operations associated with or incident to the provision of the Ferry Service are being performed including but not limited to passenger ticketing, passenger embarking/disembarking, Vessel (as defined herein) fueling and maintenance, and trash disposal, but shall not include those hours in which the sole activity related to the Ferry Service is the static docking of the Vessel.
6. DUTIES OF OPERATOR RELATED TO SUBMERGED AREA: In addition to Operator's other duties set forth in this Agreement, Operator shall perform the following duties related to the Submerged Area at its sole cost and expense:
 - 6.1. For season one of the Ferry Service, Operator shall design, develop and install the seaside docking and landing area mutually agreed upon by the Parties ("**Maritime Facilities**"). Operator shall be responsible for all maintenance and repairs to the Maritime Facilities, provided that Operator shall not be required to repair substantial damage to the Maritime Facilities. In the event of substantial damage to the Maritime Facilities, Paragraph 34.1 shall govern. Notwithstanding the foregoing, Operator shall promptly notify the City of substantial damage to the Maritime Facilities and take all necessary safety precautions. For season two and/or season three of the Ferry Service, the Operator shall design, develop and

install the Maritime Facilities, unless the City provides Operator with docking space at the new St. Pete Pier™.

6.2. Operator shall control and be responsible for the Submerged Area during Operating Hours, including but not limited to controlling access to the Maritime Facilities, guest service functions, maritime security screening and general operational organization. In addition, Operator shall perform operational safety activities and continue to evaluate the condition and suitability of the facilities for passenger activities. Operator shall properly secure the Maritime Facilities at the conclusion of daily Ferry Service.

6.3. Operator shall maintain the Submerged Area in a clean, orderly and safe condition in accordance with this Agreement and applicable Laws (as defined herein), and shall not permit any debris or litter to accumulate in or around the Submerged Area resulting from the its use of the Submerged Area.

6.4. Operator shall provide security for the Submerged Area during Operating Hours including but not limited to maintaining fencing, lighting and signage.

7. DUTIES OF THE CITY RELATED TO SUBMERGED AREA: In addition to the City's other duties set forth in this Agreement, the City shall perform the following duties related to the Submerged Area at its sole cost and expense:

7.1. If the Vessel docks overnight in St. Petersburg, the City shall provide utilities including but not limited to water and electrical service at the Maritime Facilities ("Utility Service"). Operator is hereby granted permission to connect to and use the Utility Service, at the sole cost and expense of the City.

7.2. The City shall be responsible for obtaining any required permits and approvals from all applicable federal, state and local environmental, regulatory, and municipal agencies necessary for Operator to install and conduct ferry operations at the Maritime Facilities. The City shall not be responsible for obtaining any permits or approvals except those necessary for Operator to install and conduct ferry operations at the Maritime Facilities.

7.3. The City shall provide security for the Submerged Area during all hours other than the Operating Hours, which security shall consist of customary patrols by the St. Petersburg Police Department or security guards.

8. DUTIES OF OPERATOR RELATED TO UPLAND AREA: In addition to Operator's other duties set forth in this Agreement, Operator shall perform the following duties related to the Upland Area at its sole cost and expense:

8.1. Operator shall control and assume responsibility for the use, operation and security of the Upland Area during Operating Hours, including controlling access to the Upland Area,

ticketing, guest service functions, maritime security screening (as may be required), cleaning, custodial and general operational organization.

8.2. Operator shall carry out operational safety activities and continue to evaluate the condition and suitability of the Upland Area for passenger activities. Operator shall properly secure the Upland Area at the conclusion of daily Ferry Service. Operator shall notify the City of any known potential hazardous conditions.

8.3. Operator shall provide a ticket booth to the City on or before October 1 each year during the Term.

9. DUTIES OF CITY RELATED TO UPLAND AREA: In addition to the City's other duties set forth in this Agreement, the City shall perform the following duties related to the Upland Area at its sole cost and expense:

9.1. Provided that Operator has supplied the City with a ticket booth by October 1 each year during the Term, the City shall develop, install and provide Operator with landside facilities mutually agreed upon by the Parties in the Upland Area ("**Terminal Facilities**") by October 17 each year during the Term. The details and specifications of the Terminal Facilities shall be mutually agreed to by the Parties. The City shall be responsible for obtaining any and all necessary permits for the Terminal Facilities.

9.2. During those hours other than the Operating Hours, the City shall maintain the Upland Area in a clean, orderly and safe condition in accordance with this Agreement and applicable Laws, and shall not permit any debris or litter to accumulate in or around the Upland Area. The City shall be responsible for all maintenance and repairs to the Terminal Facilities, provided that the City shall not be required to repair substantial damage to the Terminal Facilities. In the event of substantial damage to the Terminal Facilities, Paragraph 34.1 shall govern. Notwithstanding the foregoing, the City shall promptly notify Operator of substantial damage to the Terminal Facilities and take all necessary safety precautions. The City shall provide Utility Service for the Terminal Facilities. The City shall provide trash containers on the Upland Area and shall be responsible for emptying such trash containers.

9.3. During those hours other than the Operating Hours, the City shall provide security for the Upland Area including maintaining fencing, lighting, signage and customary patrols by the St. Petersburg Police Department or security guards.

9.4. The City shall be responsible for obtaining any required permits and approvals from all applicable federal, state and local environmental, regulatory, and municipal agencies necessary for Operator to perform its responsibilities to conduct ferry operations at the Terminal Facilities. The City shall not be responsible for obtaining any permits or approvals except those necessary for Operator to perform its responsibilities to conduct ferry operations at the Terminal Facilities.

10. PAYMENTS TO OPERATOR:

10.1. For season one of the Ferry Service, the City shall pay Operator an amount not to exceed seven hundred forty seven thousand three hundred thirty-two dollars (\$747,332.00), to be paid in accordance with the payment terms described in Exhibit "C-1".

10.2. For season two of the Ferry Service, the City shall pay Operator an amount not to exceed seven hundred forty two thousand one hundred twenty-six dollars (\$742,126.00), to be paid in accordance with the payment terms described in Exhibit "C-2".

10.3. For season three of the Ferry Service, the City shall pay Operator an amount not to exceed seven hundred thirty six thousand nine hundred twenty-two dollars (\$736,921.00), to be paid in accordance with the payment terms described in Exhibit "C-3".

10.4. In the event the City fails to make any payments to Operator in accordance with this Agreement and does not cure such default in accordance with this Agreement, Operator may impose a three percent (3%) late fee.

10.5. Each year during the Term of this Agreement, after commencement of the Ferry Service, if Operator ceases to provide the Ferry Service in accordance with this Agreement, and fails to cure that default in accordance with this Agreement, the City may terminate this Agreement. In the event of termination pursuant to this Paragraph 10.5, payments or refunds shall be governed by Exhibit "D". The City's right to terminate pursuant to this Paragraph 10.5 shall not be construed to limit the City's other termination rights pursuant to this Agreement.

11. REVENUE AND PAYMENTS TO CITY: For each season the Operator provides the Ferry Service pursuant to this Agreement, in the event Operator's Revenues (as defined herein) exceeds four hundred thousand dollars (\$400,000), fifty percent (50%) of all Revenues in excess of \$400,000 shall be remitted to the City ("City's Revenue Share"). For purposes of this Agreement, "Revenues" shall mean Operator's gross revenues from all sources related to this Agreement, less any third party costs, fees, selling commissions, and sales taxes. Operator shall pay the City's Revenue Share to the City by the fifteenth (15th) of the month following the month in which such Revenues were collected. All payments of the City's Revenue Share due under this Agreement shall be paid in U.S. funds and in a manner acceptable to the City. Such payments shall be made without notice, demand, setoff or counterclaim. This Paragraph 11 shall survive expiration or earlier termination of this Agreement. In the event Operator fails to make the City's Revenue Share payments in accordance with this Paragraph 11 and Operator does not cure such default in accordance with this Agreement, the City may impose a three percent (3%) late fee.

12. CITY'S RIGHT TO AUDIT: The City shall have the right to audit the books and records of Operator relating to the City's Revenue Share, during regular business hours, and Operator, on request of the City, shall make all such books and records available for examination. If the

City should have an audit made and the City's Revenue Share shall be found to be understated by more than five percent (5%) or contain any deliberate inaccuracies, then, in addition to immediately paying the City the full amount of the understated City's Revenue Share, Operator shall pay to the City the cost of the audit not exceeding three thousand dollars (\$3,000).

13. CONDITION OF SUBMERGED AREA AND UPLAND AREA:

13.1. Operator has inspected and is aware of the condition of the Submerged Area and accepts the condition of the Submerged Area in an "as is" condition.

13.2. Operator shall inspect the Upland Area and Terminal Facilities prior to its occupancy and use and advise the City in writing of its acceptance of them in their "as is" condition.

13.3. The City has made no representations, statements, or warranties, either expressed or implied, as to the condition of the Submerged Area or the Upland Area, or as to their fitness for a particular use.

14. RETURN OF THE SUBMERGED AREA AND UPLANDS AREA:

14.1. At the conclusion of each season of the Ferry Service or upon the earlier termination of this Agreement, Operator shall remove its goods and effects (including but not limited to the Maritime Facilities and the ticket booth provided by Operator for the Terminal Facilities), repair any damage caused by Operator, its employees, agents or contractors, ordinary wear and tear excepted, and peaceably yield up the Submerged Area and Upland Area clean and in good order, repair and condition, ordinary wear and tear excepted.

14.2. All improvements, except the Maritime Facilities and the ticket booth provided by Operator for the Terminal Facilities, made to the Submerged Area or the Upland Area by either party shall immediately become the property of the City and shall remain at the Submerged Area or Upland Area during the Term of this Agreement and upon expiration or termination hereof. In the event any of the Maritime Facilities, trade fixtures, personal property, or improvements (including the ticket booth) are not removed within thirty (30) days after the end of each season by the Ferry Service or earlier termination of this Agreement, said items shall at the option of the City become property of the City, and may be disposed of in the City's sole discretion at the sole cost and expense of the Operator. Except for the ticket booth, Operator shall not be responsible for removing the Terminal Facilities provided for herein.

15. PERMITTED USE: Operator shall occupy and utilize the Submerged Area and the Upland Area for the primary purpose of providing the Ferry Service, in accordance with this Agreement, including the Operations Plan ("Permitted Use"). Operator shall operate its business in an efficient and reputable manner.

16. PROHIBITED USE/ OTHER RESTRICTIONS:

16.1. The Submerged Area and the Upland Area shall not be used for any use other than the Permitted Use. No occupation or other use shall be allowed which, in the sole discretion of the City, is deemed hazardous to persons or to the Submerged Area or the Upland Area or which will increase the City's liability or cost of insurance.

16.2. The City may impose restrictions necessary for carrying out any and all activities related to City authorized, sponsored or co-sponsored events including but not limited to the Grand Prix Race Events, as set forth in this Agreement.

17. REQUIRED APPROVALS FOR EACH SEASON OF THE FERRY SERVICE:

17.1. HMS commencing season one of the Ferry Service is subject to and conditioned upon the following occurring by September 15, 2018: (i) to the extent required pursuant to this Agreement, the City obtaining any required permits and approvals from all applicable federal, state and local environmental, regulatory, and municipal agencies, including but not limited to the Army Corps of Engineers, (ii) the City executing the Joint Participation Agreement with the Florida Department of Transportation ("FDOT"), (iii) the execution of an interlocal agreement between the City and the Government Partners (as defined herein) for funding from the Government Partners for season one of the Ferry Service. For purposes of this Agreement, the "**Government Partners**" shall mean Pinellas County, Florida, the City of Tampa, Florida and Hillsborough County, Florida. If the City does not obtain any required permits or approvals by September 15, 2018, does not execute a joint participation agreement with FDOT by September 15, 2018 or does not execute an interlocal agreement with the Government Partners by September 15, 2018, the City may immediately terminate this Agreement. In the event of termination pursuant to this Paragraph 17.1, City shall pay Operator for documented mobilization costs and expenses incurred by Operator for season one of the Ferry Service prior to the date of termination, provided that such payment shall not exceed fifty thousand dollars (\$50,000.00).

17.2. HMS commencing season two of the Ferry Service is subject and conditioned upon the City notifying Operator in writing by August 1, 2019, that the City desires Operator to provide the Ferry Service for season two. HMS commencing season two of the Ferry Service is further subject and conditioned upon the following occurring by September 15, 2019: (i) to the extent required pursuant to this Agreement, the City obtaining any required permits and approvals from all applicable federal, state and local environmental, regulatory, and municipal agencies, including but not limited to the Army Corps of Engineers and (ii) the execution of an interlocal agreement between the City and the Government Partners for funding from the Government Partners for season two of the Ferry Service. If the City does not provide notice to Operator by August 1, 2019, that the City desires Operator to provide the Ferry Service for season two, this Agreement shall automatically terminate and the City shall not be liable for any costs and expenses incurred by Operator for season two of the Ferry Service. If the City provides notice to Operator by August 1, 2019, that the City desires Operator to provide the Ferry Service for

season two, but does not obtain any required permits or approvals by September 15, 2019, or does not execute an interlocal agreement with the Government Partners by September 15, 2019, the City may immediately terminate this Agreement. In the event of termination due to failure to obtain any required permits and approvals by September 15, 2019, or execute an interlocal agreement with the Government Partners by September 15, 2019, the City shall pay Operator for documented mobilization costs and expenses incurred by Operator for season two of the Ferry Service prior to the date of termination, provided that such payment shall not exceed fifty thousand dollars (\$50,000.00).

17.3. HMS commencing season three of the Ferry Service is subject and conditioned upon the City notifying Operator in writing by August 1, 2020, that the City desires Operator to provide the Ferry Service for season three. HMS commencing season three of the Ferry Service is further subject and conditioned upon the following occurring by September 15, 2020: (i) to the extent required pursuant to this Agreement, the City obtaining any required permits and approvals from all applicable federal, state and local environmental, regulatory, and municipal agencies, including but not limited to the Army Corps of Engineers and (ii) the execution of an interlocal agreement between the City and the Government Partners for funding from the Government Partners for season three of the Ferry Service. If the City does not provide notice to Operator by August 1, 2020, that the City desires Operator to provide the Ferry Service for season three, this Agreement shall automatically terminate and the City shall not be liable for any costs and expenses incurred by Operator for season three of the Ferry Service. If the City provides notice to Operator by August 1, 2020, that the City desires Operator to provide the Ferry Service for season three, but does not obtain any required permits or approvals by September 15, 2020, or does not execute an interlocal agreement with the Government Partners by September 15, 2020, the City may immediately terminate this Agreement. In the event of termination due to failure to obtain any required permits and approvals by September 15, 2020, or execute an interlocal agreement with the Government Partners by September 15, 2020, the City shall pay Operator for documented mobilization costs and expenses incurred by Operator for season three of the Ferry Service prior to the date of termination, provided that such payment shall not exceed fifty thousand dollars (\$50,000.00).

18. COMPLIANCE WITH LAWS: The Parties shall comply with all applicable federal, state, and local laws, ordinances, rules and regulations, the federal and state constitutions, and orders and decrees of any lawful authorities having jurisdiction over the matter at issue (collectively, "Laws"), including but not limited to statutes governing construction of public buildings and repairs upon public buildings and public works (including but not limited to the bonding requirements of Section 255.05, Florida Statutes).

19. PUBLIC RECORDS:

19.1. Operator shall (i) keep and maintain public records (as defined in Chapter 119, Florida Statutes) required by the City to perform the services pursuant to this Agreement; (ii) upon request from the City Clerk's Office, provide the City (at no cost to the City) with a copy of

the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided under Florida laws regarding public records or other applicable Laws; (iii) ensure that public records in Operator's possession that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by applicable Laws for the Term of this Agreement and after the expiration or earlier termination of this Agreement; and (iv) after the expiration or earlier termination of this Agreement, at the City's request, either transfer, at no cost, to the City all public records in Operator's possession within ten (10) days following the City's request and/or keep and maintain any public records required by the City to perform the services pursuant to this Agreement. If Operator transfers all public records to the City upon the expiration or earlier termination of this Agreement, Operator shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Operator keeps and maintains public records upon the expiration or earlier termination of this Agreement, Operator shall meet all applicable requirements for retaining public records in accordance with this Agreement and all applicable Laws. At the City's request, all public records stored electronically by Operator shall be provided to the City in a format approved by the City.

19.2. IF OPERATOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, AS TO OPERATOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CITY CLERK'S OFFICE (THE CUSTODIAN OF PUBLIC RECORDS) AT (727) 893-7448, CITY.CLERK@STPETE.ORG, OR 175 FIFTH ST. N., ST. PETERSBURG FL 33701.

19.3. Nothing contained herein shall be construed to affect or limit Operator's obligations including but not limited to Operator's obligations to comply with all other applicable Laws and to maintain books and records pursuant to this Agreement.

20. VESSEL: For the operation of the Ferry Service each season during the Term of this Agreement, Operator shall provide a high-speed, 149-passenger, catamaran ferry that is 98' in length, with a 33' beam, and a 7' draft ("Vessel"). The Vessel shall have a cruising speed of 27 knots and a top speed of 29 knots. Operator shall be solely responsible for the Vessel including operation, maintenance and security at all times.
21. SERVICE, ROUTE AND SCHEDULE: Operator shall provide the service, route and schedule for the Ferry Service as set forth in the Operations Plan, which may be amended from time to time by mutual written agreement of the Parties.

22. RECORDS AND REPORTING:

22.1. Operator shall prepare in accordance with generally accepted accounting practice and shall keep, at the address set forth in this Agreement, accurate books and records with respect to this Agreement, along with other records as required by applicable Laws ("**Records**"). All Records, including but not limited to tax returns, with respect to the Operator's business conducted pursuant to this Agreement, shall be kept and maintained by Operator and shall be open to examination or audit by the City and FDOT during the Term of this Agreement and for the retention periods set forth in the most recent General Records Schedule GSI – SL for State and Local Government Agencies.

22.2. In addition to the Records, Operator shall provide monthly operations reports, as reasonably required by the City and FDOT ("**Reports**"), to the designated City staff set forth in this Agreement. Such Reports shall include, but not be limited to, customer use of the Ferry Service, revenues generated, and copies of submitted Florida Department of Revenue Form DR-15.

23. TAXES AND FEES: The City shall not charge any fees based on the Permitted Use, including but not limited to dockage fees, landing fees or passenger fees. Operator shall be solely responsible for payment of applicable income taxes and sales taxes, provided that calculation of the City's Revenue Share shall include an adjustment for sales taxes pursuant to this Agreement.

24. CONSTRUCTION AND ALTERATIONS: Operator shall not make or permit to be made any alterations, additions, improvements or changes to the Submerged Area or Upland Area nor permit the painting or placing of any exterior signs, placards or other advertising media, banners, pennants, utility connections and meters, awnings, aerials, antennas or the like, without on each occasion obtaining prior written consent of the City, which consent shall be at the sole discretion of the City.

25. LICENSES, PERMITS, CERTIFICATIONS AND AUTHORIZATIONS: Unless otherwise provided in this Agreement, Operator, at its expense, shall obtain and maintain during the Term of this Agreement any licenses, permits, certifications and authorizations required by the U.S. Coast Guard or any governmental agency or authority with respect to operation of the Vessel and performance of Operator's duties pursuant to this Agreement. No unlawful activities shall be permitted in the use of the Submerged Area or Upland Area. The City makes no representations as to whether the licenses, permits, certifications or authorizations required by any governmental agencies or authorities will be issued to Operator.

26. INDEMNIFICATION: Operator shall indemnify, defend, and hold harmless City, Government Partners, FDOT, and their officers, employees, agents, invitees, elected and appointed officials and volunteers (collectively, "**Indemnified Parties**") from any claim, loss, damage, costs, charge, or expense arising out of any act, error, omission, or negligent act by Operator, its agents, or employees, during the performance of this Agreement, except that

neither Operator, its agents, or its employees will be liable under this paragraph for any claim, loss, damage, cost, charge, or expense arising out of any act, error, omission or negligent act by the Indemnified Parties.

27. INSURANCE:

27.1. Operator shall obtain and maintain during the Term of this Agreement, at Operator's cost, the following insurance, written by a firm that is authorized to conduct business in the State of Florida, recognized by the State of Florida Insurance Department. The policy or policies shall include products, completed operations and contractual liability coverage or endorsements and shall not be self-insured by Operator and shall have the following minimum limits:

27.1.1. Workers' Compensation: Workers' Compensation insurance as required by Florida Statute and Employers Liability in an amount of \$1,000,000 per employee, \$1,000,000 for disease and \$1,000,000 total for all diseases. United States Longshore and Harborworker's Act Insurance and applicable protection and indemnity (P&I) to include, but not limited to coverage for injuries to crew.

27.1.2. Automobile Liability: Automobile Liability insurance for bodily injury and property damage liability including coverage for all owned, non-owned and hired autos with a minimum combined single limit of \$1,000,000.

27.1.3. Environmental Liability: Environmental Liability insurance including marine pollution coverage with a minimum of \$5,000,000 per occurrence limit.

27.1.4. Marine Insurance: Hull and Machinery insurance as required based on the Vessel's value with a minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate limits covering liability and property damage coverage, Protection & Indemnity (P&I) insurance including Passenger Liability, Marine Liability and Crew coverage including Jones Act coverage if not under Workers' Compensation with a minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate limits, Comprehensive Marine Liability insurance with a minimum of \$1,000,000 per occurrence and \$2,000,000 aggregate limits covering the operations, contractual liabilities and product and completed operations liability exposure of Operator.

27.1.5. Umbrella Liability: Marine Umbrella Liability insurance and Bumpershoot Umbrella Liability insurance with a minimum combined limit of \$5,000,000 to apply following form to Marine Liability, Automobile Liability, Environmental Liability policies and to the P&I insurance.

27.1.6. Personal Property: Operator shall maintain whatever insurance coverage it may desire on the contents on the Submerged Area and Upland Area. "All Risk" property damage insurance covering Operator's personal property at the Submerged

Area and Upland Area for damage or other loss caused by fire or other casualty or cause, including but not limited to vandalism and malicious mischief, theft, explosion, and water damage of any type.

27.2. All of the insurance required to be maintained by Operator, except Workers' Compensation, and Professional Liability, shall name the Indemnified Parties as additional insureds.

27.3. All insurance shall be provided by responsible insurers licensed in the State of Florida and rated at least an A- in the current edition of Best's Insurance Guide. If coverage is obtained by utilizing a pool, captive or club, Operator shall submit the information on the coverage and the entity providing the coverage to the City to allow the City to confirm coverage and the financial stability of the pool, captive or club. Information provided shall include a certificate with the coverages, the rules, Operator's application, confirmation the Vessel is scheduled, and verification of the financial stability of the pool, captive or club.

27.4. Operator shall provide the City with notice at least thirty (30) days prior to any cancellation, reduction or material change in coverage.

27.5. Operator hereby waives all subrogation rights of its insurance carriers, pools, captive and clubs in favor of the Indemnified Parties and agrees to provide its insurance carriers, pools, captives and clubs with all necessary documentation to secure this waiver. This paragraph is intended to waive fully and for the benefit of the Indemnified Parties any rights or claims which might give rise to a right of subrogation in favor of any insurance carrier, pool, captive or club.

27.6. Operator shall provide the City with Certificates of Insurance on a standard Acord form reflection all coverages, all coverage limits and all covered vessels. At the City's request, Offeror shall provide copies of current policies with all applicable endorsements. If coverage is obtained by utilizing a pool, captive or club, in addition to the requirements set forth in Paragraph 27.3, Operator shall provide similar documentation to an Acord form to reflect coverage and limits. Operator shall provide all information and documentation required pursuant to this Paragraph 27.6, evidencing compliance with all requirements contained herein, on or before August 3, 2018.

27.7. If any contractor of Operator (or subcontractor) performs any work at or upon the Upland Area or Submerged Area, Operator shall ensure that said contractor (or subcontractor) obtains the insurance required pursuant to this Paragraph 27 and marine industry standards, as applicable, naming Operator and the Indemnified Parties as additional insureds.

28. DISCLAIMERS:

28.1. Operator shall store its personal property in the Submerged Area and Upland Area at

its own risk. Operator shall also occupy the Submerged Area and Upland Area at its own risk.

28.2. Operator shall give prompt notice to the City in case of fire or accidents or other casualties on or about the Submerged Area or Upland Area.

29. ASSIGNMENT: Operator shall not have the right to assign, transfer, convey, sublet or otherwise dispose of the Submerged Area or Upland Area or this Agreement or any part thereof, or of its right, title or interest therein or its power to execute this Agreement or any amendment or modification thereto, to any person, company or corporation.

30. DEFAULT BY OPERATOR:

30.1. Subject to Operator's right to notice and opportunity to cure specified in Paragraph 30.2, Operator shall be deemed to be in default of its obligations under this Agreement upon the occurrence of any of the following:

30.1.1. Operator's failure to pay the City's Revenue Share or any other sums due under this Agreement;

30.1.2. Operator's failure to perform any covenant, promise or obligation contained in this Agreement or comply with the terms and conditions of this Agreement including obligations related to public records;

30.1.3. The appointment of a receiver or trustee for all or substantially all of Operator's assets;

30.1.4. Operator's voluntarily petition for relief under, any bankruptcy or insolvency law, or the filing of an involuntary bankruptcy petition which is not dismissed within sixty (60) days;

30.1.5. The sale of Operator's interest under this Agreement by execution or other legal process;

30.1.6. The seizure, sequestration or impounding by virtue or under authority of any legal proceeding of all or substantially all of the personal property or fixtures of Operator used in or incident to its operations at the Submerged Area or Upland Area;

30.1.7. Operator's making an assignment of its assets for the benefit of creditors;

30.1.8. Any sale, transfer, assignment, subleasing, concession, license, or other disposition of this Agreement not authorized in this Agreement; or

30.1.9. Operator doing or permitting to be done anything that creates a lien upon the Submerged Area or Upland Area and shall fail to obtain the release of any such lien or

bond off any such lien as required herein.

30.2. The City may immediately terminate this Agreement if a default pursuant to Paragraph 30.1, above is not cured within ten (10) days after receipt of notice from the City. In the event of termination pursuant to this Paragraph 30.2, payments and refunds shall be governed by Exhibit "D".

31. DEFAULT BY CITY:

31.1. Subject to the City's right to notice and opportunity to cure specified in Paragraph 31.2, the City shall be deemed to be in default of its obligations under this Agreement upon the occurrence of any of the following:

31.1.1. The City's failure to make any required payments to Operator as described in Exhibits "C-1", "C-2", or "C-3"; or

31.1.2. The City's failure to perform any covenant, promise or obligation contained in this Agreement or comply with the terms and conditions of this Agreement.

31.2. Operator may immediately terminate this Agreement if a default pursuant to Paragraph 31.1, above is not cured within ten (10) days after receipt of notice from the City. In the event of termination pursuant to this Paragraph 31.2, payments and refunds shall be governed by Exhibit "D".

32. ENVIRONMENTAL COMPLIANCE:

32.1. For purposes of this Agreement, the following words and phrases shall have the following meaning except where the text clearly indicates a contrary intention:

32.1.1. "**Environment**" shall mean soil, surface waters, groundwater, land, stream and sediments, surface or subsurface strata, ambient air, interior and/or exterior of any building or improvement and any environmental medium.

32.1.2. "**Environmental Condition**" shall mean any condition of the Environment with respect to the Submerged Area that results from Operator's possession, use, occupation, construction and/or improvement to or operation of Operator's business on the Submerged Area or Upland Area.

32.1.3. "**Environmental Laws**" shall mean the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., as amended (RCRA); the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., as amended (original act known as CERCLA or "superfund", the amendments are known as SARA); the HSWA amendments to RCRA regulating Underground Storage Tanks (USTs), 42 U.S.C. Sections 6991-6991(I), as amended; the Clean Air Act of 1963, 42 U.S.C. Sections 7401, et seq., as amended (Clean Air Act); the Federal Water Pollution

Control Act of 1977 and 1987, 33 U.S.C. Sections 1251, et seq., as amended (Clean Water Act); the Toxic Substances Control Act of 1976, 15 U.S.C. Sections 2601, et seq., as amended (TSCA); the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, et seq., as amended (HMTA); the Occupational Safety and Health Act, 29 U.S.C. Sections 651 et seq., as amended (OSHA); the Act to Prevent Pollution from Ships, 33 U.S.C. Sections 1901 et seq., as amended; the Florida Resource Recovery and Management Act, Section 403.701, et seq., Florida Statutes, as amended; the Florida Pollutant Discharge Prevention and Control Act, Section 376.011-376.17 and 376.19-376.21, Florida Statutes, as amended; and Chapters 373, 376 and 403, Florida Statutes; and any other present or future federal, state, or local law, regulation, rule or ordinance implementing or promulgating the preceding federal and state statutes as well as any future federal, state, or local law whose purpose is to protect the Environment, together, in each case, with any amendment thereto.

32.1.4. "**Hazardous Material**" shall mean without limitation (1) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substance", or "solid waste" in any Environmental Laws; (2) those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto); (3) any materials, waste, or substance which is (A) petroleum, petroleum by-products, residuals and petroleum degradation by-products; (B) asbestos; (C) polychlorinated biphenyls; (D) flammable explosives; or (E) radioactive materials; and (4) such other substances, materials, and wastes which are or become regulated or controlled under any Environmental Laws.

32.1.5. "**Release**" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping into the Environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Material).

32.2. Operator shall not cause or permit any Hazardous Material to be used, stored, or generated on the Submerged Area or Upland Area, except for materials of types and quantities relevant to its business and customarily used for the operation of a passenger ferry service. Operator shall use, store, and transport materials in conformity with Environmental Laws, and all other applicable federal, state and local laws and ordinances of the City, the National Fire Protection Association (NFPA) Code, United States Coast Guard, Federal Maritime Commission, Federal Aviation Administration, local fire codes and regulations and Airport regulations and tariffs as they may be amended from time to time. The City reserves the right to terminate this Agreement immediately and without notice for any violation of the requirements concerning Hazardous Material and storage.

32.3. Operator shall not cause or permit the Release of any Hazardous Material, contaminant, or pollutant in, on, or under the Submerged Area or Upland Area or into any open surface water body, ditch, conduit, stream, storm sewer, or sanitary sewer connected thereto or located thereon.

32.4. The City shall promptly notify Operator of every demand, notice, summons, or other process received as to any Environmental Claims (as defined herein) or legal proceeding that involves Operator or the Submerged Area or Upland Area.

32.5. Operator shall promptly notify the City of: (i) any enforcement, cleanup or other regulatory action taken or threatened by any governmental or regulatory authority with respect to the presence of any Hazardous Material in or upon the Submerged Area or Upland Area or the migration thereof from or to other property, (ii) any demands or claims made or threatened by any party relating to any loss or injury resulting from any Hazardous Material in or upon the Submerged Area or Upland Area, and (iii) any matters where the City is required by Environmental Laws to give a notice to any governmental or regulatory authority respecting any Hazardous Material in or upon the Submerged Area or Upland Area. It is Operator's sole responsibility to be aware of and compliant with any additional notification requirements regarding the report of releases over or adjacent to open water to applicable federal, state and local agencies.

32.6. If any Hazardous Material is Released at, on or within the Submerged Area or Upland Area by the Operator or any other occupant of the Submerged Area or Upland Area in violation of Environmental Laws, Operator shall timely notify the City and immediately, properly and in compliance with Environmental Laws clean up and remove the Hazardous Material from the Submerged Area or Upland Area and any other affected property. Such cleanup and removal shall be at the Operator's sole expense. For purposes of removal and disposal of any such Hazardous Material, Operator shall be named as the owner and generator, obtain a waste generator identification number, and execute all permit applications, manifests, waste characterization documents and any other forms required by the appropriate state or federal environmental authority and hold the City harmless.

32.7. Operator shall defend, pay on behalf of, indemnify and hold harmless the Indemnified Parties from and against all claims, damages, expenses (including reasonable attorneys' fees), liabilities and all other obligations including, without limitation, third party claims for personal injury or real or personal property damage (collectively, "**Environmental Claims**") arising from or connected with the violation of Environmental Laws by Operator or other occupants of the Submerged Area or Upland Area except to the extent any of the foregoing Environmental Claims are attributable to the violation of Environmental Laws by the City, its officers, directors, agents or employees. The City shall have control over the City's and Operator's involvement in legal proceedings resulting from Environmental Claims and covered by the indemnification agreement contained in this Agreement. Operator's duty to indemnify the Indemnified Parties shall survive the expiration or earlier termination of this Agreement.

32.8. Operator shall allow authorized representatives of the City or state and federal environmental personnel, at a reasonable time and with reasonable notice, access to the Submerged Area and the Maritime Facilities for the following purposes:

32.8.1. Conducting an environmental audit or other inspections of the Submerged Area and the Maritime Facilities.

32.8.2. Reviewing and copying of any records that must be kept under any environmental permit.

32.8.3. Viewing the facilities, equipment, practices, or operations regulated or required under such permit.

32.8.4. Sampling or monitoring any substances or parameters at any location subject to any environmental permit or federal, state or municipal environmental law or regulation.

32.9. The City shall be liable for any contamination of the Submerged Area or Upland Area caused by the City activity on the Upland Area, or other City-owned property adjacent to the Submerged Area or Upland Area.

32.10. This Paragraph 32 shall survive the expiration or earlier termination of this Agreement.

32.11. Nothing in this Agreement shall be interpreted as limiting the City's ability to seek contribution from any potentially responsible parties for any environmental violation.

33. GRAND PRIX RACE EVENTS:

33.1. This Agreement is subject to current and future agreements with third parties for the conduct of racing events in downtown St. Petersburg (any such agreement hereinafter referred to as "**Grand Prix Race Agreement**") and all rights (exclusive rights and other rights) and authority granted thereunder. Without limiting the generality of the foregoing, the Operator acknowledges and agrees that (i) the Submerged Area, Upland Area and Operator's business operations may be impacted by Race Events and other activities that will occur before, during and after Race Events (e.g., construction, set-up and tear down activities), and (ii) Operator shall not be entitled to any damages or abatement or set off of any amounts owed to the City for any impact that the Race Event has to Operator's business operations. In the event of a conflict or ambiguity between this Agreement and any Grand Prix Race Agreement, the Grand Prix Race Agreement shall prevail. As used herein, the terms "**Race Event**," "**Race Area**" and "**Race Period**" shall have the meanings set forth in the Grand Prix Race Agreement.

33.2. In the absence of a written agreement between Operator and Race Promoter which specifically provides otherwise, Operator shall comply with the following regulations pertaining to the Submerged Area and Upland Area during Race Events and such other regulations as may be imposed by the City from time to time:

33.2.1. Temporary outdoor uses are prohibited.

33.2.2. All uses including but not limited to retail and food uses, operating from temporary or portable structures or vehicles such as semi-trailers, step vans, recreational or other vehicles with cooking facilities, are prohibited.

33.2.3. Sale or distribution of food or any other item outside the Submerged Area or Upland Area is prohibited.

33.2.4. Temporary structures, including bleachers or other seating in the Submerged Area or Upland Area, tents, shall not be erected and are prohibited.

33.2.5. Temporary signs, including signs on vehicles and buildings, visible from a street right-of-way and/or the Race Area are prohibited. Any sign erected shall be a permanent sign which has received the required permits.

33.2.6. Streamers, pennants, banners and inflatables, located within the Submerged Area or Upland Area, which are visible from any street right-of-way and/or the Race Area are prohibited.

34. DAMAGE TO SUBMERGED AREA, MARITIME FACILITIES, UPLAND AREA AND VESSEL:

34.1. If any portion of the Submerged Area, the Maritime Facilities, Upland Area or Terminal Facilities are substantially damaged by fire, explosion, or other casualty or occurrence ("**Facilities Damage**"), the City or Operator may elect to repair or replace the affected facilities within thirty (30) days of the Facilities Damage. In the event the affected facilities are not repaired or replaced within thirty (30) days of the Facilities Damage or if neither the City or Operator elects to repair or replace the affected facilities, either party may immediately terminate this Agreement. In the event of termination pursuant to this Paragraph 34.1, payments or refunds shall be governed by Exhibit "D".

34.2. If any portion of the Vessel is substantially damaged by fire, explosion, or other casualty or occurrence ("**Vessel Damage**"), Operator may elect to repair or replace the Vessel within thirty (30) days of the Vessel Damage. In the event Operator fails to repair or replace the Vessel within thirty (30) days of the Vessel Damage or if Operator elects not to repair or replace the Vessel, the City may immediately terminate this Agreement. In the event of termination pursuant to this Paragraph 34.2, payments or refunds shall be governed by Exhibit "D".

34.3. Nothing contained herein shall limit the City's rights and remedies against Operator if any such damage was caused by Operator, its employees, agents or contractors.

35. FORCE MAJEURE: In the event that either party hereto shall be delayed or hindered in or prevented from the performance required hereunder by reason of strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, the actions or decisions of any

regulatory or legal authority not the fault of the party delayed in performing work or doing acts, or any other reason not the fault of the party delayed in performing work or doing acts ("Permitted Delay"), such party shall be excused for the period of time equivalent to the delay caused by such Permitted Delay. Notwithstanding the foregoing, any extension of time for a Permitted Delay shall be conditioned upon the party seeking an extension of time delivering written notice of such Permitted Delay to the other party within five (5) days of the event causing the Permitted Delay, and the maximum period of time which a party may delay any act or performance of work due to a Permitted Delay shall be fifteen (15) days from the event causing the Permitted Delay. For purposes of this Paragraph 35, the Parties may send written notice via email to the email address identified in the notice paragraph of this Agreement. If a party delays any act or performance of work due to a Permitted Delay for a time period in excess of fifteen (15) days, either party may immediately terminate this Agreement. In the event of termination pursuant to this Paragraph 35, payments or refunds shall be governed by Exhibit "D".

36. DISCRIMINATION: Operator shall not discriminate against anyone in the use of the Submerged Area, the Maritime Facilities, the Vessel or Upland Area on the basis of race, color, religion, gender, national origin, marital status, age, disability, sexual orientation, genetic information or other protected category.
37. RELATIONSHIP OF PARTIES: The relationship between the Parties is that of licensor and licensee. In conducting its business hereunder, Operator shall act as an independent contractor and not as an agent of the City. The selection, retention, assignment, direction and payment of Operator's employees shall be the sole responsibility of Operator, and the City shall not attempt to exercise any control over the daily performance of duties by Operator's employees.
38. SEVERABILITY: Should any section or part of any section of this Agreement be rendered void, invalid or unenforceable by any court of law for any reason, such determination shall not render void, invalid or unenforceable any other section or any part of any other section of this Agreement.
39. LAW, JURISDICTION AND VENUE: This Agreement shall be governed and interpreted in accordance with the laws of the State of Florida. Venue for any cause of action or claim asserted by either party hereto brought in state court, shall be in Pinellas County, Florida, St. Petersburg Division. Venue for any action brought in federal court shall be in the Middle District of Florida, Tampa Division, unless a division shall be created in St. Petersburg or Pinellas County, in which case the action shall be brought in that division. Each party waives any defense, whether asserted by motion or pleading, that the aforementioned courts are an improper or inconvenient venue. Moreover, the Parties consent to the personal jurisdiction of the aforementioned courts and irrevocably waive any objections to said jurisdiction.
40. DUE AUTHORITY: Each party to this Agreement that is not an individual represents and warrants to the other party that (i) it is a duly organized, qualified and existing entity under

the laws of the State of Florida, and (ii) all appropriate authority exists so as to duly authorize the persons executing this Agreement to so execute the same and fully bind the party on whose behalf he or she is executing.

41. ACCESS TO SUBMERGED AREA: The City reserves the right to enter upon the Submerged Area at all reasonable hours.

42. AMERICANS WITH DISABILITIES ACT OF 1990: Operator assumes all responsibility, including but not limited to, financial, construction and physical modification costs, provision of auxiliary aids, services and legal costs, for ensuring compliance with all aspects of the Americans with Disabilities Act of 1990 (ADA) and any amendments thereto.

43. SAFETY:

43.1. Operator shall remove the Vessel from the berth at the Maritime Facilities upon the request of the City, if in the sole discretion of the City the Vessel poses an imminent threat to the safety of persons or property. Such a request by the City shall not be deemed a disturbance of Operator's right of occupancy and use of the Submerged Area or Upland Area and shall not be a basis for a claim for damages or any legal action of any type against the City.

43.2. In recognition of the danger posed to other vessels, the Submerged Area, Upland Area and adjacent facilities by a shipboard fire while at the Submerged Area, and in recognition of the relative superior expertise and equipment possessed by the St. Petersburg Fire & Rescue Department, Operator shall, as a condition of utilizing the Submerged Area:

43.2.1. Cooperate with the St. Petersburg Fire & Rescue Department in formulating a plan to fight shipboard fires while docked at the Submerged Area;

43.2.2. Permit, without exception, the boarding of the Vessel while at the Submerged Area by fire officials who are responding to a report of a shipboard fire;

43.2.3. Permit, without exception, the boarding of the Vessel while at the Submerged Area by firefighting units when required by fire officials who have boarded pursuant to Paragraph 43.2.2, above; and

43.2.4. Ensure that the management, captain, crew and security personnel are at all times aware of the permission contained herein in order to assure unfettered access by fire officials and units for the purpose of prompt, efficient response to a shipboard fire. Operator will provide the St. Petersburg Fire & Rescue Department with a letter setting out the provisions of this Paragraph 43 and the permission contained herein.

43.3. The permission contained herein applies to any vessel owned or operated by Operator berthed at the Maritime Facilities.

- 43.4. Operator shall have a duty to warn all persons who enter on the Submerged Area and Maritime Facilities of any dangerous conditions thereon known to Operator.
44. NO EXCLUSIVE RIGHTS: Nothing contained in this Agreement shall be construed to grant or authorize the granting of an exclusive right other than right of use of the Submerged Area and Upland Area pursuant to the terms and conditions of this Agreement.
45. SURVIVAL: All obligations of Operator (including but not limited to indemnity obligations) and rights of the City arising during or attributable to the period prior to expiration or earlier termination of this Agreement shall survive such expiration or earlier termination.
46. REPLACEMENT FACILITY: The City is under no obligation to locate or provide a replacement facilities under any circumstances including, but not limited to, substantial damage to the existing improvements by fire, flood, hurricane, tornado, earthquake or other form of natural disaster, or termination of this Agreement.
47. WAIVER: The waiver by the City or Operator of any breach or default of any term, covenant or condition shall not be deemed to be a waiver of any subsequent breach or default of the same or any other term, covenant or condition, nor shall the acceptance or payment of the City's Revenue Share or other payment be deemed to be a waiver of any such breach or default. No term, covenant or condition of this Agreement shall be deemed to have been waived by the City or Operator, unless such waiver is in writing.
48. NOTICES: Unless otherwise provided in this Agreement, any notice, demand, request or other instrument which may be or is required to be given or delivered under this Agreement shall be deemed to be delivered (i) whether or not actually received, five (5) days after deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or (ii) when received (or when receipt is refused) if delivered personally or sent by a nationally recognized overnight courier, all charges prepaid, at the addresses of the City and Operator as set forth in this paragraph. Such address may be changed by providing written notice to the other party in accordance with this Paragraph 48. Except for Paragraph 35, the Parties acknowledge that copies of any notice sent by facsimile or e-mail are for convenience only, and shall not be deemed to be proper notice required hereunder.

<p>If to Operator, addressed to: HMS Ferries, Inc. c/o Matthew Miller, President 600 Ericksen Ave, Suite 350 Bainbridge Island, WA 98110 Email: mmiller@hmsgm.com</p>	<p>If to City, addressed to: City of St. Petersburg City Development Administration Post Office Box 2842 St. Petersburg, FL 33731-2842 Attn: Alan DeLisle Email: Alan.DeLisle@stpete.org</p> <p>With copy to:</p>
--	--

	<p>City of St. Petersburg Procurement & Supply Management Post Office Box 2842 St. Petersburg, FL 33731-2842 Attn: Louis Moore Email: Louis.moore@stpete.org</p> <p>And</p> <p>City of St. Petersburg Real Estate & Property Management Department Post Office Box 2842 St. Petersburg, FL 33731-2842 Attn: Alfred Wendler Email: Alfred.wendler@stpete.org</p>
<p style="text-align: center;">HAZARDOUS MATERIALS SPILL CONTACTS Marina Supervisor on Duty (During Business Hours) (727) 893-7329 Marina Security Officer (After Hours) (727) 639-5790 Sea Tow/Sea Spill Services Tampa Bay (24/7) (727) 547-1868</p>	

49. PARAGRAPH NUMBERS AND CAPTIONS: The paragraph numbers and captions appearing in this Agreement are inserted for convenience and reference only, and shall not be considered or referred to in resolving questions of interpretation.
50. ENTIRE AGREEMENT: This Agreement including exhibits hereto if any, constitutes the entire agreement between the City and Operator and its professional advisors. No change will be valid, unless made by supplemental written agreement executed and approved by the Parties.
51. NO THIRD PARTY BENEFICIARIES: This Agreement sets forth the agreement between the Parties and all rights and benefits established herein are established solely for the benefit of the Parties and are not intended to establish any rights or benefits in any other person or entity.
52. RECORDING: This Agreement shall not be recorded in the public records by either party.
53. OPERATOR ENTITY: Operator shall do all things necessary to comply with all the legal requirements to be a business entity authorized to operate within the State of Florida including but not limited to active registration with the Florida Division of Corporations. If Operator is a foreign entity, it shall also do all things necessary to comply with all the legal requirements to be a business entity authorized to operate in its state of domicile, including but not limited to required registrations and filings with that state. Should Operator at any

time fail to be in compliance with those legal requirements, said failure shall constitute a default of this Agreement and this Agreement may be immediately terminated by the City in its sole discretion.

54. CURRENT OFFICERS: Operator shall provide the City, in writing, with the name, title, address and telephone numbers of all of corporate members and officers at or before the Effective Date or within thirty (30) calendar days of their election or appointment to office. Should any members or officers reside at more than one residence, both addresses and telephone numbers shall be supplied to the City.
55. BROKERAGE FEES: Operator and the City warrant to each other that there is no broker or other individual entitled to any commission or fee by reason of this Agreement.
56. EXERCISING OF CITY'S RIGHTS: All rights reserved to the City under this Agreement shall be exercised in a reasonable manner and in a manner so as to minimize any adverse impact to Operator's business or Operator's use or enjoyment of the Submerged Area and Upland Area.
57. TIME REQUIREMENTS: Time is of the essence. Time periods herein shall include Saturdays, Sundays, and state and national legal holidays and shall end at 5:00 P.M. eastern time.
58. CITY CONSENT AND ACTION:
 - 58.1. For the purposes of this Agreement, any required written permission, consent, approval or agreement by the City means the approval of the Mayor or his designee unless otherwise set forth herein and such approval shall be in addition to any and all permits and other licenses required by applicable Laws or this Agreement.
 - 58.2. For the purposes of this Agreement, any right of the City to take any action permitted, allowed or required by this Agreement, may be exercised by the Mayor or his designee, unless otherwise set forth herein or required by applicable Laws.
59. NON-APPROPRIATION: The obligations of the City as to any funding required pursuant to this Agreement, shall be limited to an obligation in any given year to budget and appropriate from legally available funds, after monies for essential City services have been budgeted and appropriated, sufficient monies for the funding that is required during that year. Notwithstanding the foregoing, the City shall not be prohibited from pledging any legally available non-ad valorem revenues for any obligations heretofore or hereafter incurred, which pledge shall be prior and superior to any obligation of the City pursuant to this Agreement.
60. RADON GAS: Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed federal and state guidelines have been found in

buildings in Florida. Additional information regarding Radon and Radon testing may be obtained from your county health department.

61. CITY AS A MUNICIPAL CORPORATION: Nothing contained in this Agreement shall be interpreted to require the City to take any action or refrain from taking any action that would be adverse to its status as a municipal corporation or to take or refrain from taking any action in its capacity as a municipal corporation not specifically required by this Agreement.
62. NO CONSTRUCTION AGAINST PREPARER OF AGREEMENT: This Agreement has been prepared by the City and reviewed by Operator and its professional advisors. The City, Operator and Operator's professional advisors believe that this Agreement expresses their agreement and that it should not be interpreted in favor of either the City or Operator or against the City or Operator merely because of their efforts in preparing it.
63. NO LIENS: Operator shall not suffer any liens to be filed against the Submerged Area and Upland Area by reason of any work, labor, services or materials performed at or furnished to the Submerged Area or Upland Area, to Operator, or to anyone using the Submerged Area or Upland Area through or under Operator. Nothing contained in this Agreement shall be construed as a consent on the part of the City to subject the Submerged Area or Upland Area or any part thereof to any lien or liability under the lien laws of the State of Florida.
64. PARKING: Customers utilizing the Ferry Service may park in City owned parking facilities pursuant to the City's parking operations management and posted rates.
65. LIVING WAGE REQUIREMENTS: The living wage requirements set forth in St. Petersburg City Code chapter 2, article V, division 8, as those requirements may be amended from time to time, (collectively, the "**Living Wage Requirements**") are incorporated into this Agreement. Accordingly, Operator shall (i) pay its employees for any hours worked pursuant to this Agreement in accordance with the Living Wage Requirements; (ii) comply with prohibitions on retaliation and discrimination set forth in the Living Wage Requirements; (iii) comply with the provisions for enforcement and construction set forth in the Living Wage Requirements; (iv) provide required reports and certification to the City in accordance with the Living Wage Requirements; and (v) ensure that any subcontractor utilized in the performance of this Agreement complies with the Living Wage Requirements in the same manner as Operator.
66. JOINT PARTICIPATION AGREEMENT WITH FDOT: This Agreement is subject to the Joint Participation Agreement between the City and FDOT, and all rights granted to the City and the FDOT thereunder. Once executed, the Joint Participation Agreement shall be attached to this Agreement as Exhibit "E". To the extent the Joint Participation Agreement sets forth terms and conditions that are required to be performed by Operator, the Operator shall comply with such terms and conditions.

67. AGREEMENT COMPONENTS AND ORDER OF PRECEDENCE:

67.1. This Agreement consists of this document and its exhibits and the following documents, which are made a part hereof by reference ("Other Documents"):

- 67.1.1. Request for Proposals No. 6831: Passenger Ferry Operator dated March 8, 2018, including all addendum and clarification questions ("Document 1").
- 67.1.2. Operator's Best and Final Offer dated June 11, 2018 ("Document 2").
- 67.1.3. Operator's response to clarification questions dated April 24, 2018 ("Document 3").
- 67.1.4. Operator's Proposals dated April 10, 2018 ("Document 4").

67.2. In the event of an inconsistency or conflict between or among the documents referenced in this Agreement, the following order of precedence shall govern: (i) this Agreement, exclusive of its exhibits, (ii) the exhibits to this Agreement; and (iii) the Other Documents. In the event of an inconsistency or conflict between or among the Other Documents, the order of precedence shall be the order the documents are listed above (e.g., Document 1 shall govern over Document 2, Document 2 shall govern over Document 3, etc.).

68. EXHIBITS: Each exhibit to this Agreement is an essential part hereof and is incorporated herein by reference.

REMAINING PORTION INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date and year first above written.

WITNESSES: (as to Operator)

OPERATOR: HMS FERRIES, INC.

Witness Signature

By: _____
Matthew Miller, President

Typed Printed or Stamped Name

Witness Signature

Typed Printed or Stamped Name

WITNESSES: (as to City)

CITY: CITY OF ST. PETERSBURG,
FLORIDA

Sign: _____

Print: _____

Sign: _____

Print: _____

Rick Kriseman

As Its: Mayor

ATTEST: _____

Chan Srinivasa, City Clerk

(Seal)

REAL ESTATE PROVISIONS
REVIEWED BY:

REVIEWED BY:

Alfred Wendler, Acting Director
Real Estate & Property Management

Alan H. DeLisle, Administrator
City Development Administration

APPROVED AS TO CONTENT AND FORM:

City Attorney (Designee)

By: _____
Assistant City Attorney

Legal : 00384707 FINAL

EXHIBIT "A" – Operations Plan

Business and Operations Plan

The Cross Bay Ferry

Passenger Ferry Service
St. Petersburg to Tampa



Prepared For:

City of St. Petersburg
RFP No. 6831
P.O. Box 2842
St. Petersburg, FL 33731

Prepared By:



HMS Ferries, Inc.
600 Ericksen Ave NE, Suite 350
Bainbridge Island, WA 98110

June 2018

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.....	5
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	Special and Private Events.....	12
4.4	April Sports Service.....	13
5	Facilities and Terminals	15
5.1	St. Petersburg.....	15
5.2	Tampa.....	20
6	Ticketing System	23
7	Marketing & Advertising	24
7.1	Overall Approach	24
8	Route Assessment.....	26
8.1	Distances between various port facilities.....	26
8.2	Summary of Routes	26
9	Regulatory Issues	27
10	Proposed Ferry Vessel	28
10.1	Vessel Description.....	28
10.2	Vessel Maintenance	32
10.3	Crew Manning	32
11	Budget.....	34
11.1	Revenue Credits	34.



1 Project Background

Reference: RFP No. 6831: Passenger Ferry Operator

The City of St. Petersburg (the City) determined there is a public need ferry service between the City of St. Petersburg and the City of Tampa. This follows the success of a ferry service Pilot Project in 2016-2017. HMS Ferries was the Project Manager and ferry operator for the Pilot Project.

As a result, RFP No. 6831: Passenger Ferry Operator was issued on March 20, 2018 to solicit proposals for passenger ferry operations services. The ferry service outlined in this Business and Operations Plan is further referred to as the Project.

HMS Ferries, Inc. (HMS) is a ferry operating company that provides ferry services to government and private clients. This Business and Operations Plan is submitted in conjunction with the information requested in the RFP No. 6831.

A summary of the Scope of Work is included on the following page.

Summary of Project Scope

RFP No. 6831

Task	HMS Responsibility	The City / Client
Key Contracts	<ul style="list-style-type: none"> Ferry Vessel Charter Barge – Dock Contract(s) Service Agreements Docks and Gangways Installation Marketing Contract Concession Contract(s) 	<ul style="list-style-type: none"> Terminal Landside Permitting Dock Permitting St. Pete Shoreside Area preparation to include electrical
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	Permitting
Marketing Contractor Procurement and Support	In HMS scope	N/A
Scheduling	In HMS scope; will consult with City in continual refinement of best overall schedule.	City will work in conjunction with HMS to continually refine the best overall schedule.
Fares / Pricing	In HMS scope; will consult with City in continual refinement of best overall pricing.	City will work in conjunction with HMS to continually refine the best overall pricing.
Terminal - Marine Environmental Regulatory	Not in HMS scope, but will support the City as required.	HMS operations will support the City 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. HMS will assist as needed.
Insurance	<ul style="list-style-type: none"> Vessel Hull and Machinery, P&I and General Liability. Docks, gangways, landside property, or P&I insurance. No business interruption. 	HMS to procure and manage property, P&I, business interruption and other insurances for docks, gangways, landside
Maintenance	Routine Maintenance (minor)	N/A

Coast Guard Inspections and Approvals	In HMS scope	N/A
Concession Services	In HMS original scope	The City to receive 5% of the onboard concession.
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

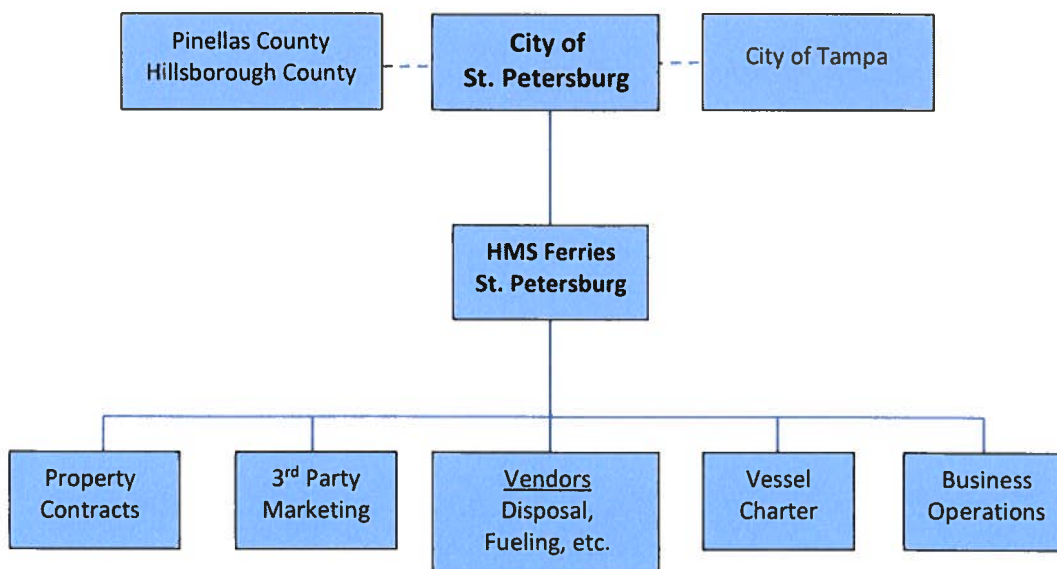
The Business Overview presents business related topics including:

- 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 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 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 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

The Project will provide scheduled passenger ferry service between St. Petersburg and Tampa, 7 days a week. Charters or excursion demonstration services may be offered to maximize passenger totals and revenue. HMS will provide a minimum of 32 one-way trips throughout the week.

The draft ferry schedule will be reviewed with the City to ensure it meets the needs of the entire Tampa Bay community. Of note, HMS learned a great deal from the six-month pilot project in regard to pricing and scheduling and the draft schedule is a result of the culmination of experience learned during the November 2017 – April 2017 pilot project.



2.4 Project Objectives

The primary objective of the Project 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* schedule and pricing to meet the market demand for each month, as events in the Tampa Bay community influence ridership.

In addition, the Project will gain a wide range of information and data that can be used to further 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 for future Tampa Bay ferry operations.

2.5 Financial Summary

HMS is proposing a three-year Business and Operations Plan, with the City's subsidy decreasing each year due to increased ridership and revenue. In learning from the Pilot Project, HMS is confident that the ridership and revenue for the 2018-2019 season will be at or above the Pilot Project revenue totals. By adapting the schedule and fares to maximize ridership, HMS is confident in the financial summary below.

The proforma for each year is below, along with the Revenue share model, which is equitable in sharing the risk in this project.

St. Pete - Tampa Ferry Project Project Cost Summary (2018-2019)

Proforma

Vessel Ops \$ 685,598

Operational Mgmt and Admin \$ 104,112

Sub-Total \$ 789,710

Additional

Terminals \$ 82,622

Marketing, Sales and Survey \$ 75,000

Sub-Total \$ 157,622

TOTAL PROJECT COSTS \$ 947,332

Credits:

Minimun Revenue Credit \$ 200,000

Subsidy \$ 747,332

PAYMENT TERMS

<u>Initial Deposit</u>	\$ 75,000	<u>By Sept 15, 2018</u>
<u>Long Lead items & Mobe</u>	\$ 75,000	<u>Before Nov 1</u>
<u>Prior to Commencement of service</u>	\$ 119,466	<u>Before Dec 1</u>
<u>Prior to each month of service</u>	\$ 119,466	<u>Before Jan1</u>
	\$ 119,466	<u>Before Feb 1</u>
	\$ 119,466	<u>Before Mar 1</u>
	\$ 119,466	<u>Before Apr 1</u>
	\$ 747,332	

Notes

Turn-Key: Includes vessel deliver and redelivery; vessel crew; fuel; oils; supplies.

Includes: A dedicated, on site team, working just for this project; administrative reporting; ops reporting; customer service; ticketing; scheduling; community outreach.

Includes: Dock construction in St. Pete and Tampa; insurance; terminal supplies; terminal tent; ticket booths.

Note: If the net revenue projection exceeds \$400,000 the City will receive an end of season rebate for the 50-50 split for net revenue beyond \$400,000.

St. Pete - Tampa Ferry Project Project Cost Summary (2019-2020)

(DOCK IN ST. PETE SUPPLIED BY THE CITY)

Proforma

<u>Vessel Ops</u>	\$ 685,598
<u>Operational Mgmt and Admin</u>	\$ 98,907
<u>Sub-Total</u>	<u>\$ 784,504</u>

Notes

Turn-Key: Includes vessel delivery and redelivery; vessel crew; fuel; oils; supplies.

Includes: A team dedicated just to this project; uniforms, ticketing; administrative reporting; operational reporting; scheduling; customer service; community outreach.

Additional

<u>Terminals</u>	\$ 38,622
<u>Marketing, Sales and Survey</u>	\$ 75,000
<u>Sub-Total</u>	<u>\$ 113,622</u>

Includes: Insurance; terminal supplies; terminal tent; ticket booths.

<u>TOTAL PROJECT COSTS</u>	<u>\$ 898,126</u>
-----------------------------------	--------------------------

Credits:

Minimum Revenue Credit	\$ 200,000
Projected 50-50 split	\$ 33,500
Maximum Subsidy	\$ 698,126
Projected Subsidy	<u>\$ 664,626</u>

PAYMENT TERMS

<u>Initial Deposit</u>	<u>\$ 75,000</u>	<u>By Sept 15, 2019</u>
<u>Long Lead items & Mobe</u>	<u>\$ 75,000</u>	<u>Before Nov 1</u>
<u>Prior to Commencement of service</u>	<u>\$ 109,625</u>	<u>Before Dec 1</u>
<u>Prior to each month of service</u>	<u>\$ 109,625</u>	<u>Before Jan 1</u>
	<u>\$ 109,625</u>	<u>Before Feb 1</u>
	<u>\$ 109,625</u>	<u>Before Mar 1</u>
	<u>\$ 109,625</u>	<u>Before Apr 1</u>
	<u>\$ 698,126</u>	

St. Pete - Tampa Ferry Project Project Cost Summary (2019-2020)

(DOCK IN ST. PETE NOT SUPPLIED BY THE CITY)

Proforma

<u>Vessel Ops</u>	\$ 685,598
<u>Operational Mgmt and Admin</u>	\$ 98,907
<u>Sub-Total</u>	<u>\$ 784,504</u>

Notes

Turn-Key: Includes vessel delivery and redelivery; vessel crew; fuel; oils; supplies.

Includes: A team dedicated just to this project; uniforms, ticketing; administrative reporting; operational reporting; scheduling; customer service; community outreach.

Additional

<u>Terminals</u>	\$ 82,622
<u>Marketing, Sales and Survey</u>	\$ 75,000
<u>Sub-Total</u>	<u>\$ 157,622</u>

Includes: Dock construction in St. Pete; insurance; terminal supplies; terminal tent; ticket booths.

<u>TOTAL PROJECT COSTS</u>	<u>\$ 942,126</u>
-----------------------------------	--------------------------

Credits:

Minamum Revenue Credit	\$ 200,000
Projected 50-50 split	\$ 33,500

Maximum Subsidy	\$ 742,126
Projected Subsidy	<u>\$ 708,626</u>

PAYMENT TERMS

<u>Initial Deposit</u>	\$ 75,000	<u>By Sept 15, 2019</u>
<u>Long Lead items & Mobe</u>	\$ 75,000	<u>Before Nov 1</u>
<u>Prior to Commencement of service</u>	\$ 118,425	<u>Before Dec 1</u>
<u>Prior to each month of service</u>	\$ 118,425	<u>Before Jan1</u>
	\$ 118,425	<u>Before Feb 1</u>
	\$ 118,425	<u>Before Mar 1</u>
	\$ 118,425	<u>Before Apr 1</u>
	<u>\$ 742,126</u>	

St. Pete - Tampa Ferry Project Project Cost Summary (2020-2021)

(DOCK IN ST. PETE SUPPLIED BY THE CITY)

Proforma

Vessel Ops \$ 685,598

Operational Mgmt and Admin \$ 93,701

Sub-Total \$ 779,299

Additional

Terminals \$ 38,622

Marketing, Sales and Survey \$ 75,000

Sub-Total \$ 113,622

TOTAL PROJECT COSTS \$ 892,921

Credits:

Minimum Revenue Credit \$ 200,000

Projected 50-50 Split \$ 45,500

Maximum Subsidy \$ 692,921

Projected Subsidy \$ 647,421

PAYMENT TERMS

<u>Initial Deposit</u>	\$ 75,000	<u>By Sept 15, 2020</u>
<u>Long Lead items & Mobe</u>	\$ 75,000	<u>Before Nov 1</u>
<u>Prior to Commencement of service</u>	\$ 108,584	<u>Before Dec 1</u>
<u>Prior to each month of service</u>	\$ 108,584	<u>Before Jan 1</u>
	\$ 108,584	<u>Before Feb 1</u>
	\$ 108,584	<u>Before Mar 1</u>
	\$ 108,584	<u>Before Apr 1</u>
	\$ 692,921	

Notes

Turn-Key: Includes vessel delivery and redelivery; vessel crew; fuel; oils; supplies.

Includes: A team dedicated just to this project; uniforms, ticketing; administrative reporting; operational reporting; scheduling; customer service; community outreach.

Includes: Insurance; terminal supplies; terminal tent; ticket booths.

Note: If the net revenue projection exceeds \$400,000 the City will receive an end of season rebate for the 50-50 split for net revenue beyond \$400,000.

St. Pete - Tampa Ferry Project Project Cost Summary (2020-2021)

(DOCK IN ST. PETE NOT SUPPLIED BY THE CITY)

Proforma

Vessel Ops \$ 685,598

Operational Mgmt and Admin \$ 93,701

Sub-Total \$ 779,299

Additional

Terminals \$ 82,622

Marketing, Sales and Survey \$ 75,000

Sub-Total \$ 157,622

TOTAL PROJECT COSTS \$ **936,921**

Credits:

Minimum Revenue Credit \$ 200,000

Projected 50-50 Split \$ 45,500

Maximum Subsidy \$ 736,921

Projected Subsidy \$ 691,421

PAYMENT TERMS

<u>Initial Deposit</u>	\$ 75,000	<u>By Sept 15, 2020</u>
<u>Long Lead items & Mobe</u>	\$ 75,000	<u>Before Nov 1</u>
<u>Prior to Commencement of service</u>	\$ 117,384	<u>Before Dec 1</u>
<u>Prior to each month of service</u>	\$ 117,384	<u>Before Jan 1</u>
	\$ 117,384	<u>Before Feb 1</u>
	\$ 117,384	<u>Before Mar 1</u>
	\$ 117,384	<u>Before Apr 1</u>
	<u>\$ 736,921</u>	

Notes

Turn-Key: Includes vessel delivery and redelivery; vessel crew; fuel; oils; supplies.

Includes: A team dedicated just to this project; uniforms, ticketing; administrative reporting; operational reporting; scheduling; customer service; community outreach.

Includes: Dock construction in St. Pete; insurance; terminal supplies; terminal tent; ticket booths.

Note: If the net revenue projection exceeds \$400,000 the City will receive an end of season rebate for the 50-50 split for net revenue beyond \$400,000.

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 in the Pilot Project. The on-site team's only job is to make the *Cross Bay Ferry* a success, and will not be pulled for other work. The On-Site team has the experience to hit the deck running and pick-up exactly where they left off during the Pilot Project.

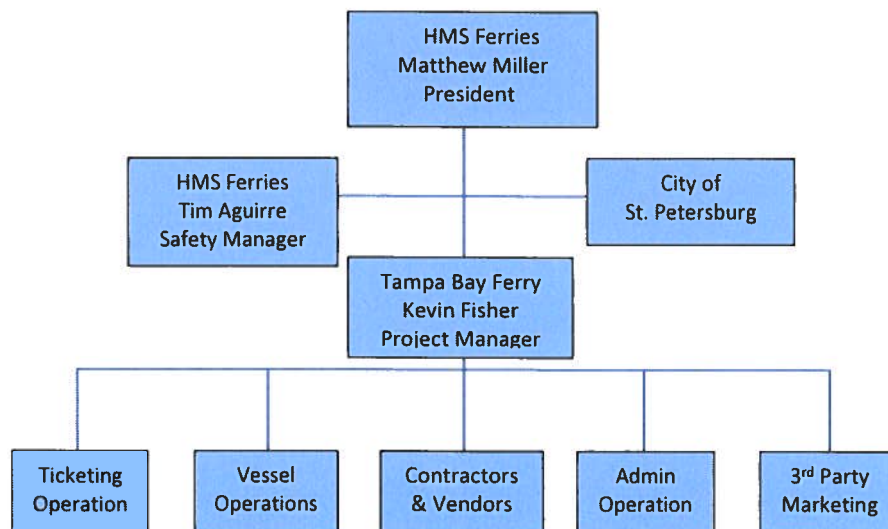
3.1.1 (OFF-SITE) Project Support Team

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
Safety Officer

Project Organization Chart

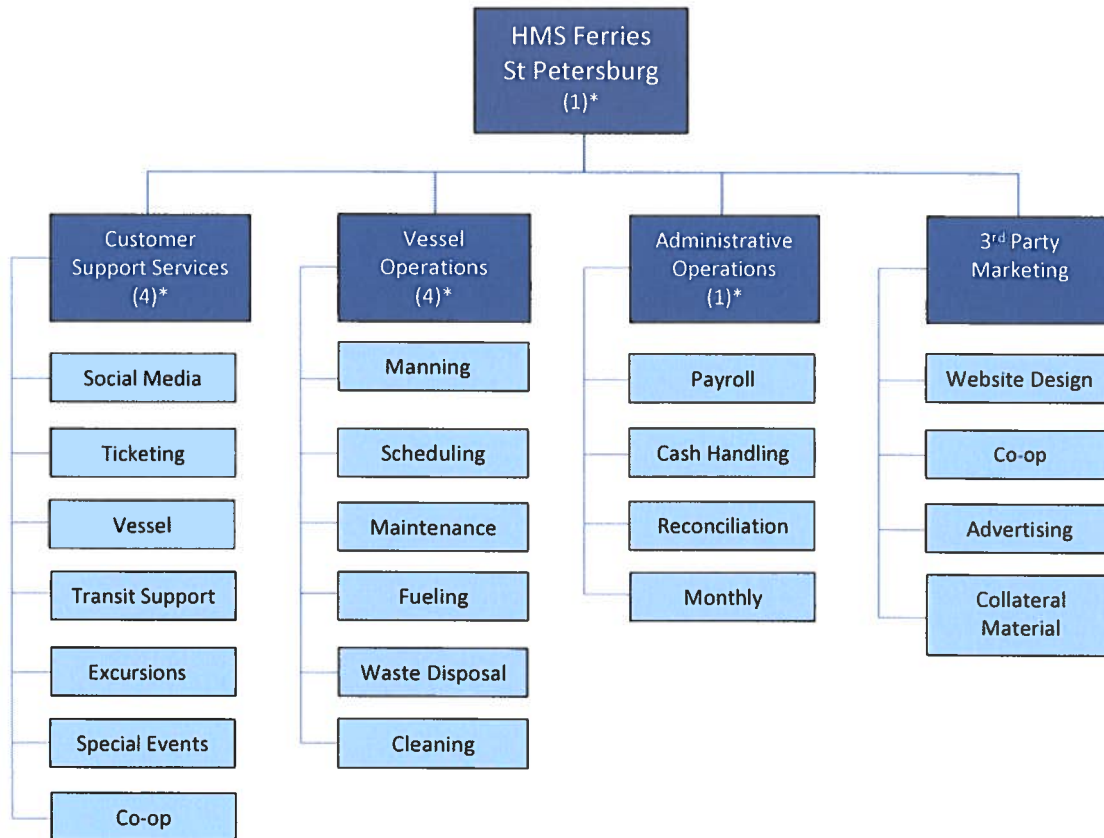


3.2 St. Petersburg Functional Operations

HMS local operations management and support team 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 and community outreach.

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

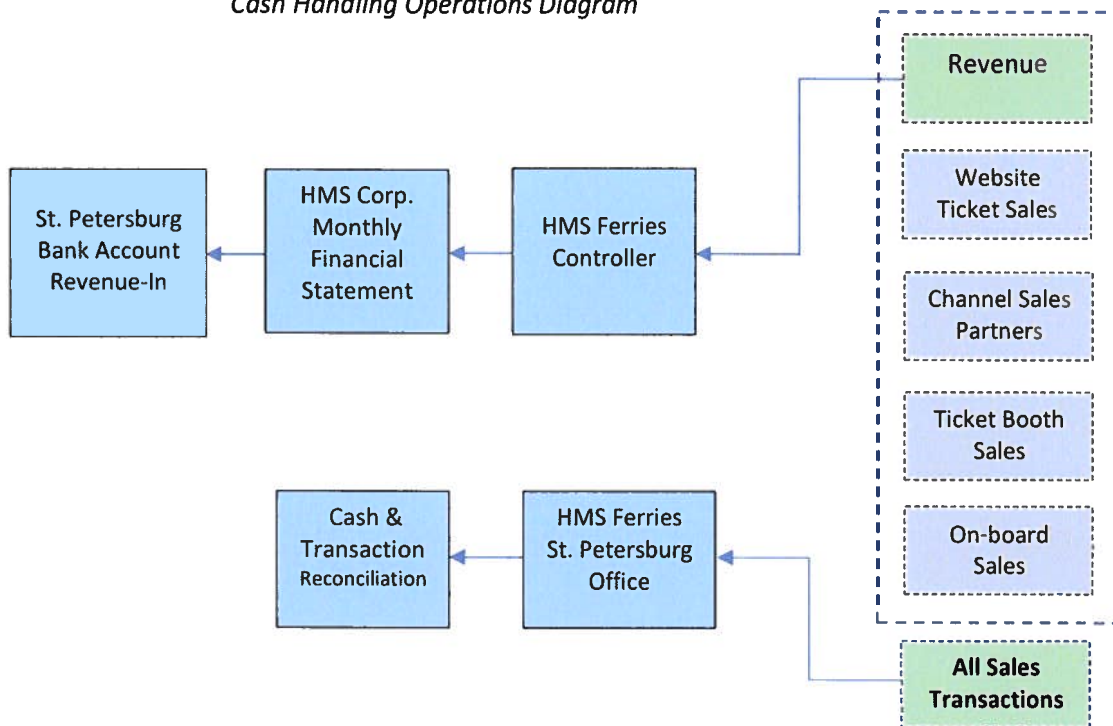
The Project Manager is responsible for all operations both onshore and afloat and insures effective and efficient controls are in place to insure safe and efficient vessel operations and accurate accounting of all business operations. The Project Manager is also responsible for implementing and

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. The Project Manager has no other duties other than management of the *Cross Bay Ferry*, which is not a model that many operators can offer.

3.2.2 Administrative Operations

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

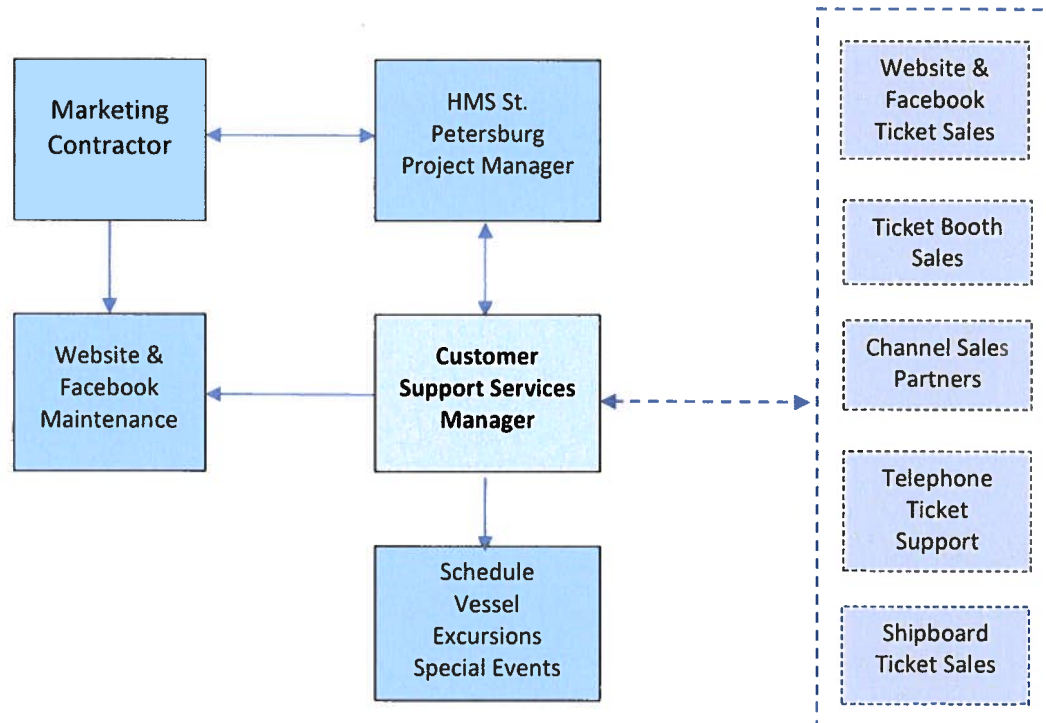
Cash Handling Operations Diagram



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 Third 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 Team

HMS has entered into an agreement to hire the services of Schifino Lee, a local marketing & public relations company that also handled all the marketing for the Pilot Project.

The Marketing Plan: Building upon the positive branding and the exceptional advertising and marketing associated with the *Cross Bay Ferry* Pilot Project, Schifino Lee has developed a multi-modal communications, marketing, and public relations program it will carry the Project to the next level. HMS has earmarked \$75,000 for each of the three-years, and believes the effective marketing plan is key to success of this project. Given Schifino Lee's close working relationship and expertise of the

marketing, outreach, and membership platforms of major visitor and business stakeholder groups in Tampa Bay, they have a proven history of success. This was most evident in their efforts during the Pilot Project. Their marketing plan includes working with stakeholders that 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.

The Marketing Plan is attached.

3.2.5 Vessel and Vessel Operations

In support of the Project, HMS has entered in a charter agreement with Bay State Cruise Company to provide the *Provincetown* passenger ferry, just as it did during the Pilot Project. **There simply is no other high-speed passenger ferry in the United States that meets the pristine quality and condition of the *Provincetown* ferries.**

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

- Deliver vessel to Tampa Bay in October 2018
- 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.



Vessel Specifications: Provided in Section 10

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 Project 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. Preliminary sample hours of operation will include three round-trip services per day, with times to be adjusted as the season progresses.

Fare pricing will be based upon the recreational nature of this trip, but will range from \$10-\$5 for a one-way adult ticket, and lower fare for children, military, and seniors. For example, during the launch month of November 2018, HMS will offer an "Inaugural Promotion," with Adult fares reduced to \$5, and youth, senior, military \$3 each way.

4.2 St. Petersburg-Tampa Scheduled Weekday Service

In learning from the passenger demand from Pilot Project, HMS plans 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 during the week by the downtown circulating trolley (operating during the hours of the proposed commuter ferry service). Connecting service will 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, but growing, 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.

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.



RFP No. 6831

Petersburg Grand Prix. Such service would be outside of the regular operating schedule and not affect the overall budget of this Project.

4.4 April Sports Service

The potential for Tampa Bay Lightning games and the first month of Tampa Bay Rays games presents unique opportunities for event service in April 2019. It may be desirable to amend all 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.

SCHEDULE & RATES



UPDATED 06-01-18

Monday - Friday

St. Pete Departure _____ 12:00 PM

Tampa Departure _____ 1:15 PM

St. Pete Departure _____ 4:00 PM

Tampa Departure _____ 5:30 PM

St. Pete Departure _____ 10:30 PM

Saturday

St. Pete Departure _____ 2:30 PM

Tampa Departure _____ 4:00 PM

St. Pete Departure _____ 5:30 PM

Tampa Departure _____ 7:00 PM

St. Pete Departure _____ 9:45 PM

Tampa Departure _____ 11:00 PM

Sunday*

St. Pete Departure _____ 10:00 AM

Tampa Departure _____ 11:30 AM

St. Pete Departure _____ 4:30 PM

Tampa Departure _____ 6:00 PM

ONE-WAY FARES

Adult Fare (18+)	-----	\$8.00
Senior (65+)	-----	\$5.00
Military (Active/Retired)	-----	\$5.00
College Student (ID required)	-----	\$5.00
Youth Fare (5-18)	-----	\$3.00
Children (4 & Under)	-----	Free

***** MAIDEN VOYAGE MONTH SPECIAL *****

Adult - \$5.00

Senior/Military/College - \$3.00

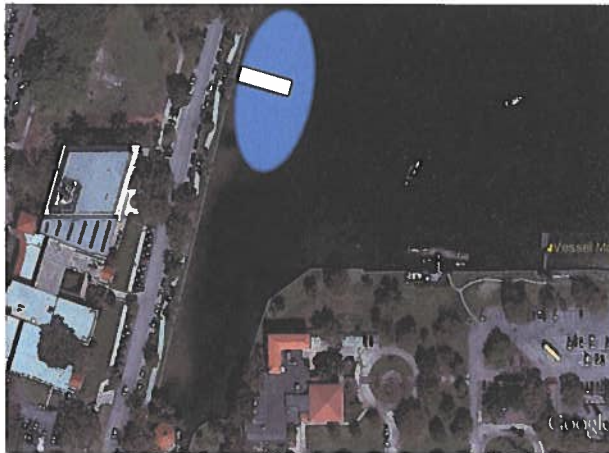
5 Facilities and Terminals

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 proposed landing

A temporary 20' x 80' landing will 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 bathymetric (underwater) survey for this area shows the depth quickly drops to 7.5' past the eel grass patch, then continues to drop to 13.7'. The vessel and landing would sit in approximately 11.7' of water.

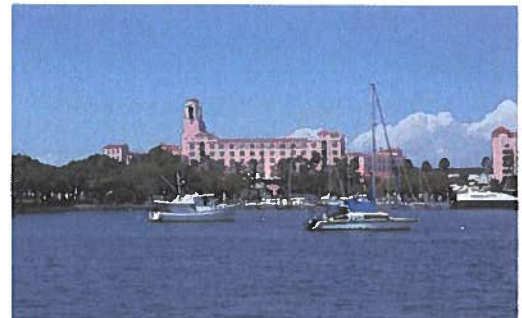


Birdseye view of Vinoy Boat Basin.

Southwest View of Vinoy Basin



Northern Downtown View of Vinoy Basin



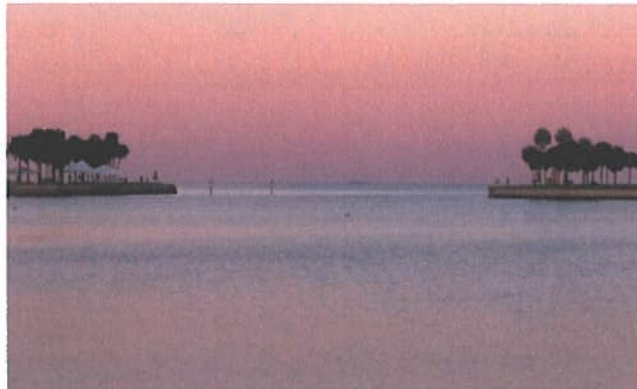
5.1.2 Barges - Modifications Required

Barge modifications include installing “D-rubber” style fenders mounted on steel “H” beams to the sides of the barges. HMS will 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 proved extremely customer friendly during the Pilot Project.

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 Bay Landing until such conditions lessen.

Eastern Exposure to Vinoy Basin



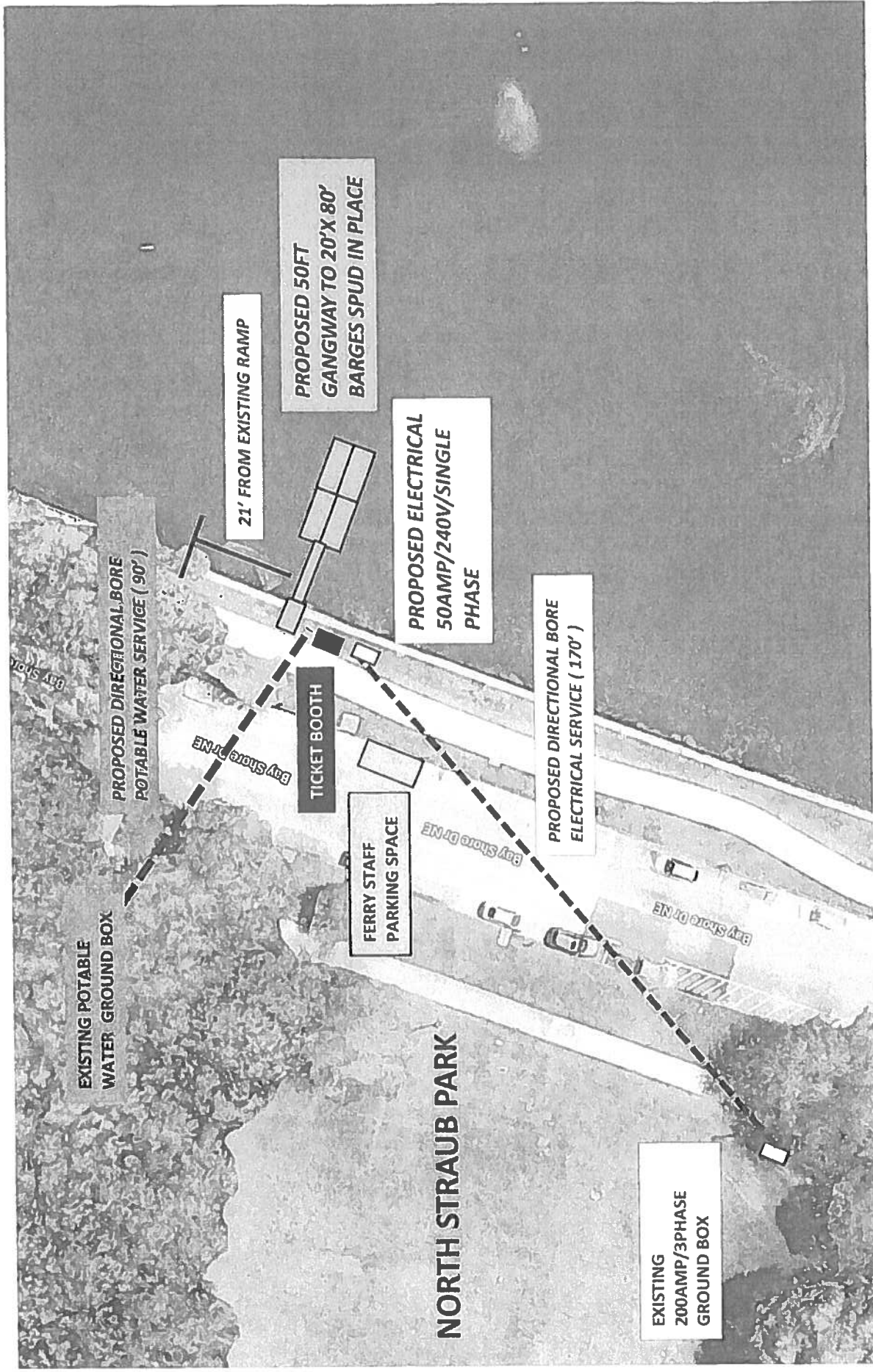
5.1.4 Loading Ramps

Passenger boarding ramps are required to facilitate transfer of passengers between the shore and ferry vessel at the Vinoy Basin Landing. An existing ramp 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

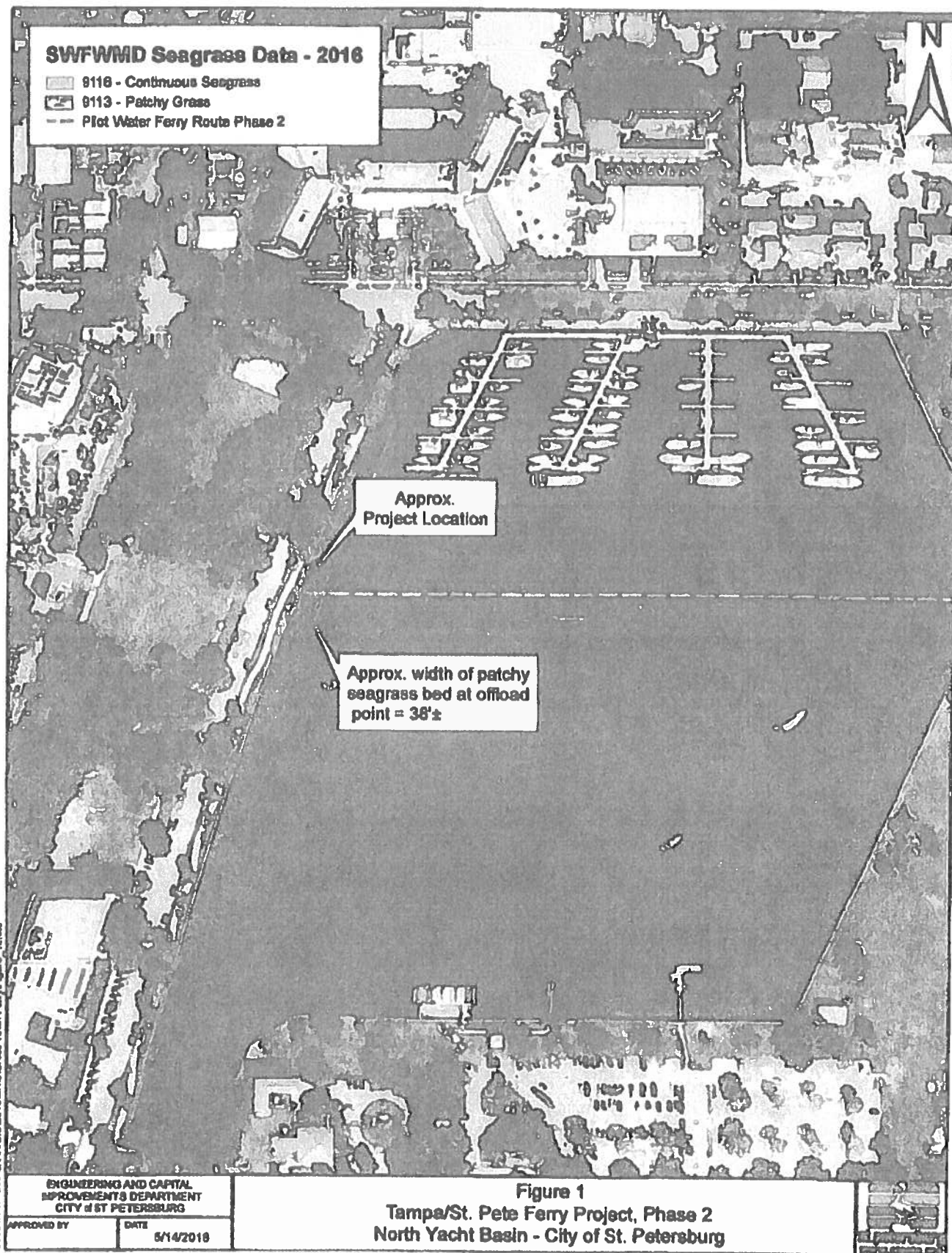
The City (through the Engineering department) is responsible for upgrading the existing utilities that will include water and power. **Power requirements are 50-amp, 240VAC, single phase. The power station should accommodate a standard marine Hubble Style Connector.** HMS will work with the City in making the shore side services acceptable for the *Provincetown IV*.



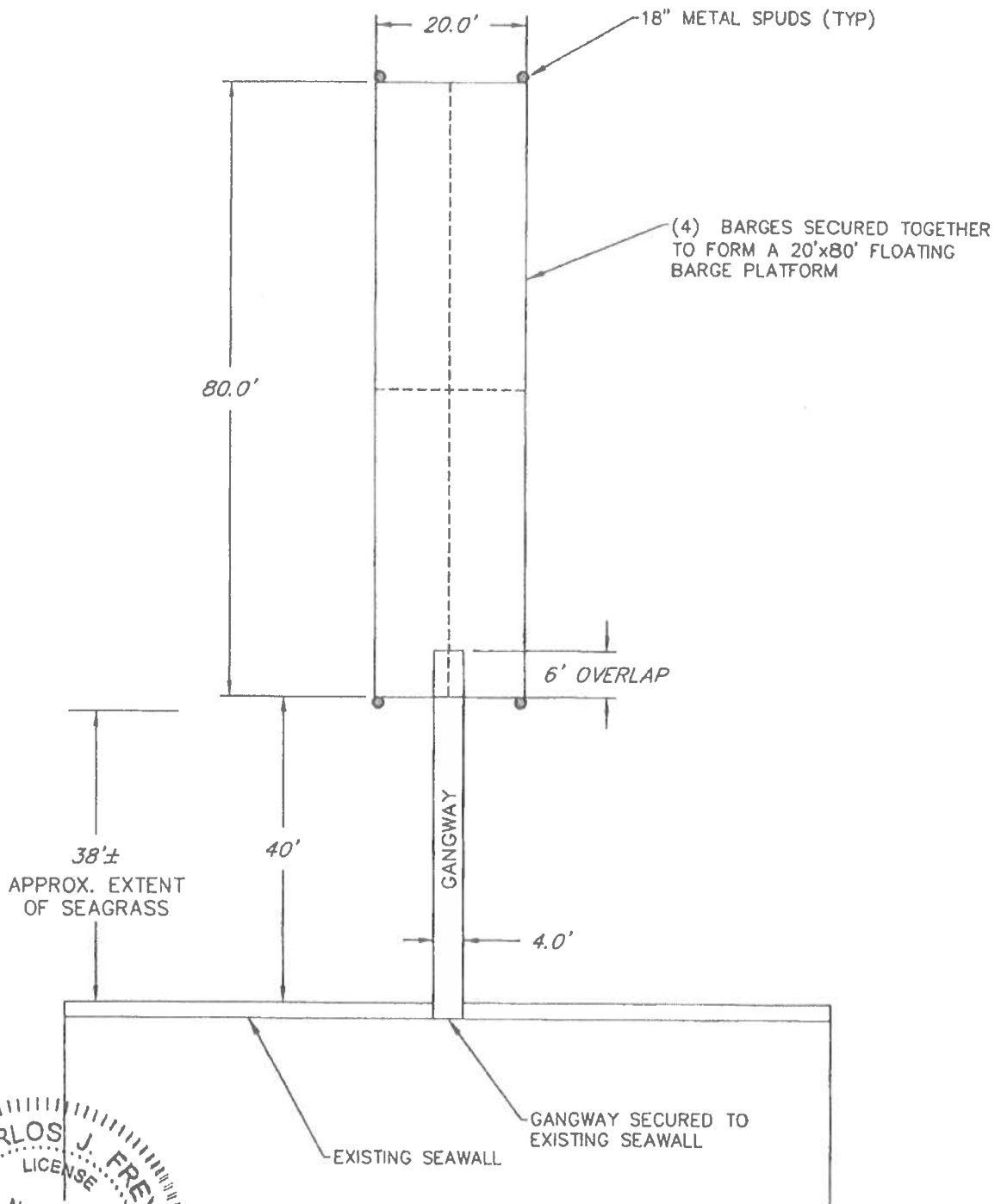
CROSS BAY FERRY – SITE PLAN – PHASE 2.0

395 BAY SHORE DR NE, ST PETERSBURG, FL

Document Path: G:\McG08\2016\ENG\Cross Town Ferry\Figure 1.mxd

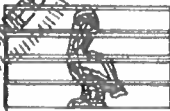


F:\1. 25 May 2018 - 10:44am S:\AUTOCAD\2018\XXXXX-XXX_Temp Floating Dock\1_Dwg\Layout.dwg HACasals



PLAN VIEW

CARLOS J. FREY
FL Reg # 40982



ENGINEERING AND CAPITAL
IMPROVEMENT DEPARTMENT
CITY OF ST. PETERSBURG

ENGINEERING AND CAPITAL IMPROVEMENTS
CITY OF ST. PETERSBURG
PO Box 2542, ST. PETERSBURG FL 33731

SCALE: 1"=20'

TEMPORARY FLOATING BARGE PLAFORM
FOR PILOT WATER FERRY, PH. 2

TAMPA/ST. PETE
FERRY PROJECT

DATE: 5/2018

DWG. No.

11359-01



5.1.6 Fueling and Waste Disposal

Fueling operations will be conducted via truck 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 every other day. Additionally, a vacuum truck will be contracted for daily black-water/sewage pump outs.

5.1.7 Upland Facilities – Passenger Staging

HMS will provide a ticket booth in the boarding area. The surrounding area will need to be fenced for security and passenger control. The landing area will include appropriate and required safety features required by City Code and the Fire Marshall for a structure of this type. Additional minor sidewalk and passenger amenities will be installed by the City 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

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. 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 will work 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 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 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 (ACE), Florida Department of Environmental Regulation and possibly other agencies. The City has stated it will assume responsibility for leading the dock/shore side permitting

5.2 Tampa

5.2.1 Landing

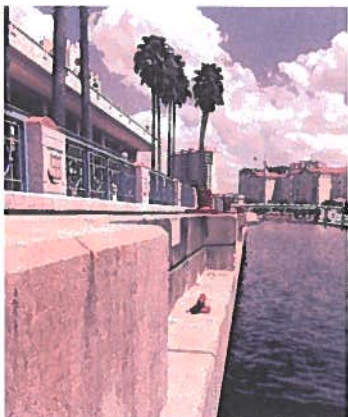
The Tampa service will dock alongside several different locations depending on the service and events in Tampa. Routine service will be accomplished either on the Seawall directly in front of, and managed by, the Tampa Convention Center (TCC) or Jackson's Landing. HMS has a current agreement with the TCC to allow use of both locations. Jackson Landing provides ancillary amenities, including a covered public area with bathroom facilities, as well excellent visibility during convention events.

Tampa Convention Center Ferry Landing



5.2.2 Identify landing modifications for ferry vessel

Minor modifications are already in place to land at the TCC's Seawall. These modifications include mounting three "D" style fenders directly to the face of the seawall, which were used successfully in the Pilot Project.



The Seawall has proper bollards and cleats installed to accommodate docking. Three fenders are installed and to accommodate passengers.

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. All ramps are ADA compliant.



*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

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.

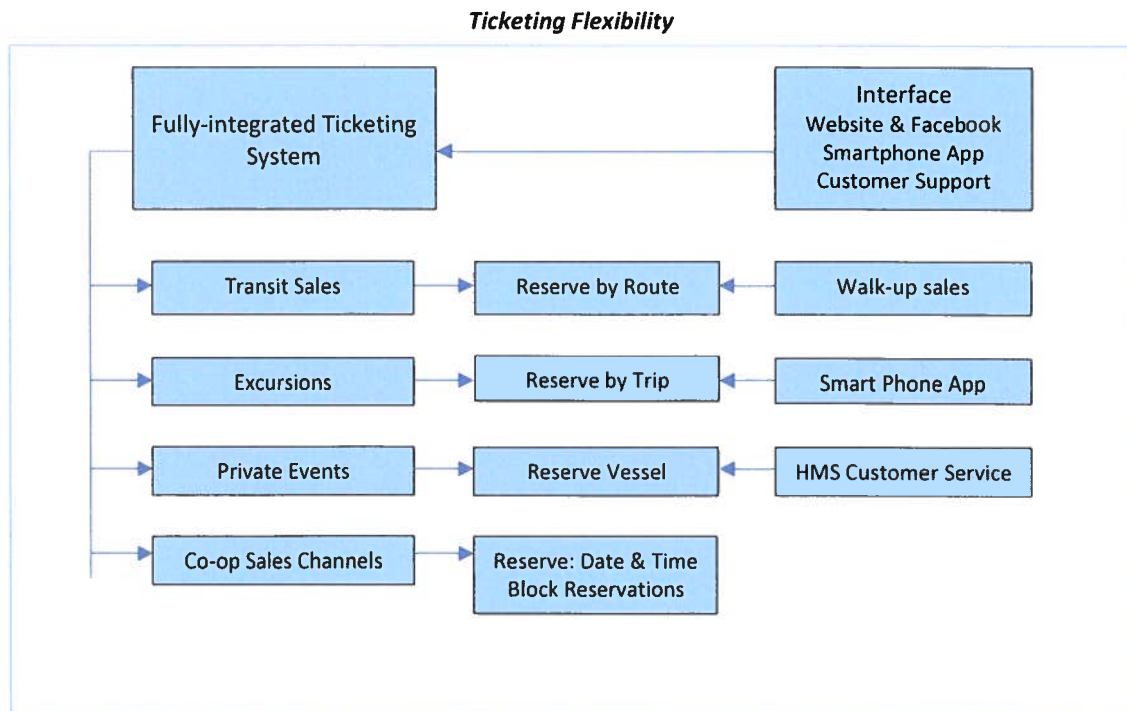
The Tampa Water Taxi Company operates on an on-demand basis and provides both tours and group transportation. It can pick up passengers at the TCC docks.

5.2.8 Ticket Services

A ticket booth 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 22.*

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 the project's marketing and sales program. The same online, mobile app, and point of sale ticketing system used in the Pilot Project will be used again for this Project. 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 used for the Pilot Project.

- **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

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

See the attached Marketing Strategy from our Marketing Partner, Schifino Lee.

7.1.1 Marketing Plan Timeline and Elements

The key benchmarks of the Marketing Plan are as follows:

July 8th	Finalization of Communication, Public Relations, and Marketing Plan
August 1	Soft launch of 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	Implementation of post-start up public relations and marketing initiatives

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

Brand - The *Cross Bay Ferry* Brand 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 renewal of service and the potential for co-operative marketing programs. As with the pilot project, numerous businesses have indicated that they would likely participate in a co-operative marketing campaign to support the 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.

Public Relations and Communication Plan – HMS and Schifino Lee will be responsible for executing the attached 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 and Schifino Lee will evaluate and develop a sponsorship program similar to what was used for the Pilot Project.

8 Routes

8.1 Distances between Ferry Landings

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

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 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
St. Petersburg	DEP Army Corps	Environmental Resource Permit	June 1, 2018	30 Days	
U.S. Coast Guard	Sector St. Petersburg	New to Zone COI	Oct 28, 2018		

10 Ferry Vessel

Building on the success of the last ferry project, HMS has again secured a *Provincetown* ferry for this Project, and has an agreement with the vessel owner. These ferries are 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).

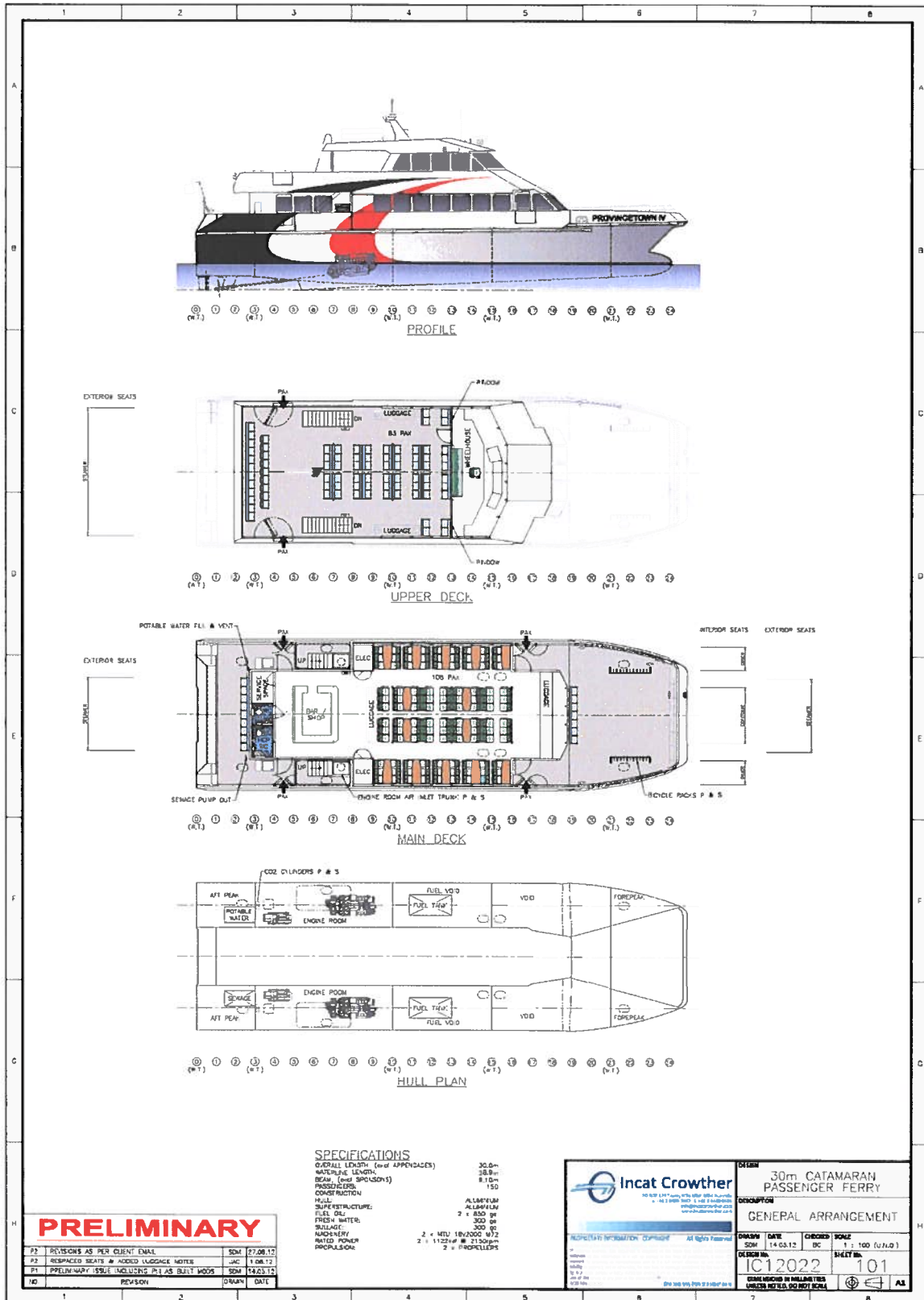
HMS cannot stress enough that no other vessel meets the quality and professionalism as the *Provincetown* ferry. It is imperative that the City inspect any other vessels being proposed to ensure there is an “apples to apples” comparison of vessels.

10.1 Vessel Description - *Provincetown Ferry*



Passenger Ferry Provincetown IV

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 Project 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.



RFP No. 6831

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, to include wine, beer, soft drinks, and limited food service.

The City of St. Petersburg will receive 5% of the net sales concession revenue.

11 Budget

The budget for the Project consists of three 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
- 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: This is the Schifino Lee Marketing Plan.

11.2 Revenue Credits

HMS will provide the City Credits for:

- Revenue Sharing in accordance with the revenue share model. It should be noted that the City's minimum revenue credit is \$200,000.

11.3 Client Costs

The only cost that is the responsibility of the City is preparing the small area shoreside in St. Pete and the electrical and water supply in St. Pete.

The proforma for each of the three seasons and the Revenue Share Model is attached.



Revenue Projections And Revenue Share Model	
Net Revenue	Revenue Share to the City
Net Revenue 0 – \$400,000	\$175,000 Revenue Credit (regardless of revenue up to \$400,000)
+ Net Revenue \$400,000 and beyond	Additional 50% - 50% Split of all net Revenue beyond \$400,000

Projected Net Revenue and Revenue Share Schedule		
2018-2019	Projected Net Revenue	Net Revenue Share
Ferry Service	\$350,000	
Specialty Service	\$30,000	
Onboard Concession Fee	\$5,000	
Corporate Sponsorships	\$7,000	
Total Net Revenue	\$392,000	\$175,000
2019-2020	Projected Net Revenue	Net Revenue Share
Ferry Service	\$420,000	
Specialty Service	\$40,000	
Onboard Concession Fee	\$7,000	
Corporate Sponsorships	\$10,000	
Total Net Revenue	\$477,000	\$213,500
2020-2021	Projected Net Revenue	Net Revenue Share
Ferry Service	\$450,000	
Specialty Service	\$35,000	
Onboard Concession Fee	\$7,000	
Corporate Sponsorships	\$10,000	
Total Net Revenue	\$501,000	\$226,000

CROSS BAY FERRY

ST. PETE - TAMPA



schifino lee
advertising + branding

Positioning

Promote the Cross-Bay Ferry as a fun, on-the-water experience...a destination day-trip for residents and tourists alike.



Logo

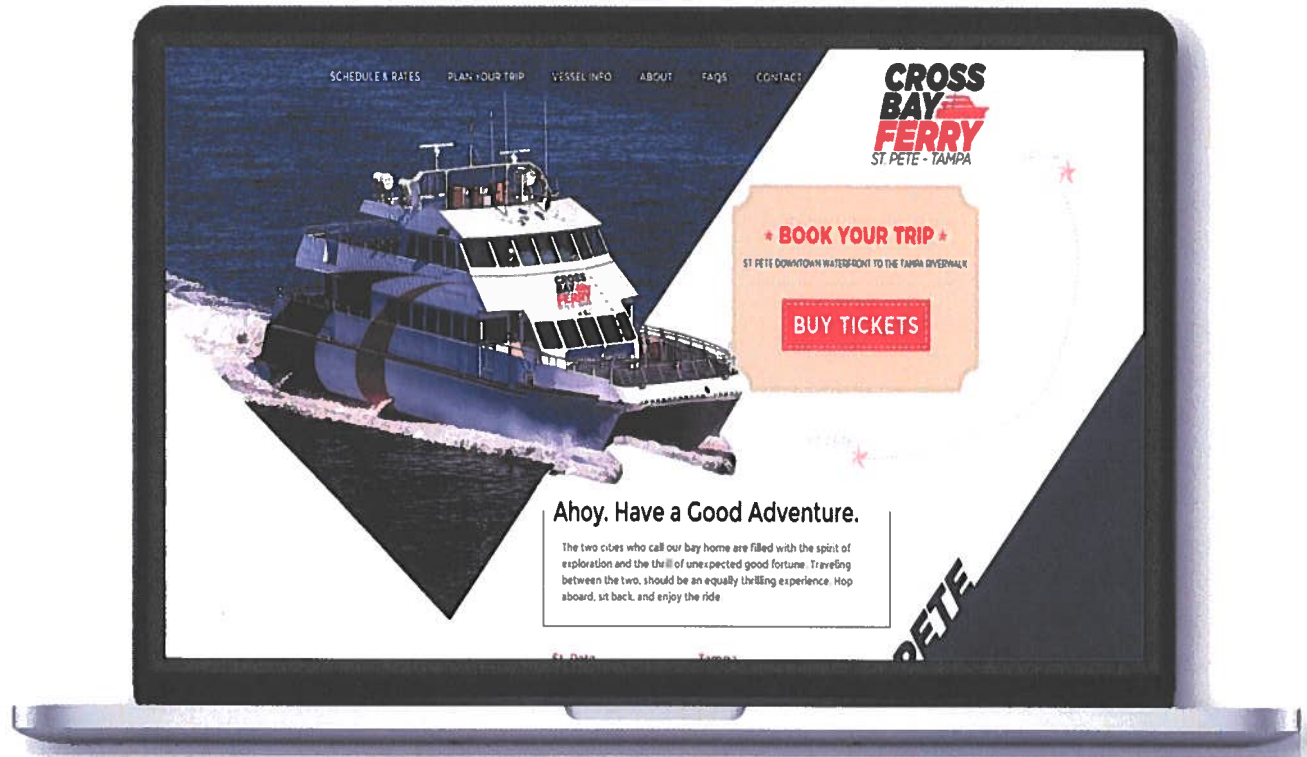


St. Petersburg

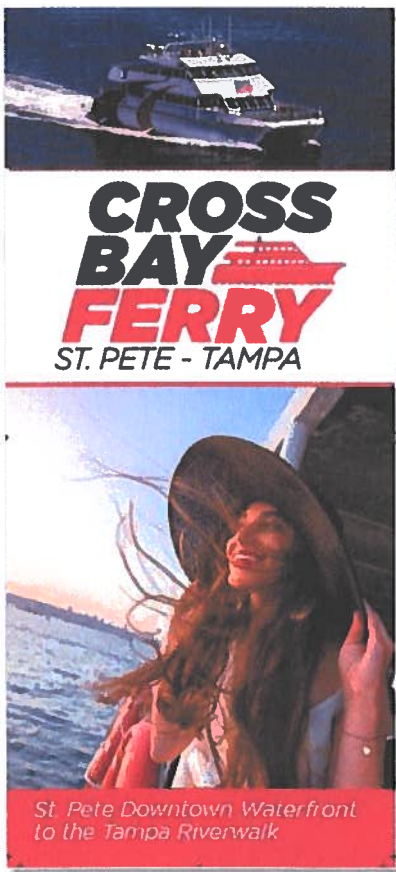
Vinoy Basin



Website



Collateral



Promotional Tickets

Rack Card

Media Partner Sponsorships



Print Ads



YOU CAN GO
FOR A DRIVE
OR YOU
CAN GO
ON A
VOYAGE...

**CROSS
BAY
FERRY**
ST. PETE - TAMPA

The two cities who call our bay home are filled with the spirit of exploration and the thrill of unexpected good fortune. Traveling between the two should be an equally thrilling experience.

BUY YOUR TICKETS AT CROSSBayFERRY.COM



**CROSS
BAY
FERRY**
ST. PETE - TAMPA

HOP
ABOARD,
SIT BACK,
AND
ENJOY
THE RIDE.

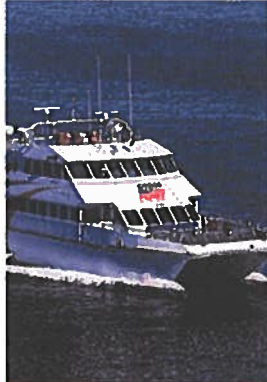
There's a lot more to see than what's in front of your windshield. Plan a trip where the journey is half the fun.

BUY TICKETS AT CROSSBayFERRY.COM

Half-Page Print Ads

Digital Ads

**CROSS
BAY
FERRY**
ST. PETE - TAMPA



LET
SOMEONE
ELSE
TAKE THE
WHEEL.

[BUY TICKETS](#)

**CROSS
BAY
FERRY**
ST. PETE - TAMPA



STRETCH YOUR SEA LEGS.

[BUY TICKETS](#)



**CROSS
BAY
FERRY**
ST. PETE - TAMPA

LET SOMEONE ELSE
TAKE THE WHEEL.

[BUY TICKETS](#)

Digital Banner Ads on TampaBay.com

Billboards



Billboards



TV Commercial (:30)



**CROSS
BAY
FERRY**
ST. PETE - TAMPA

<https://www.youtube.com/watch?v=u5hTManJb4Q>

Radio Script

Get ready to indulge in adventure.



The new Cross-Bay Ferry is now running between downtown St. Petersburg and downtown Tampa.

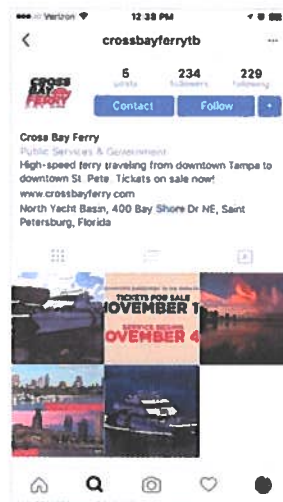
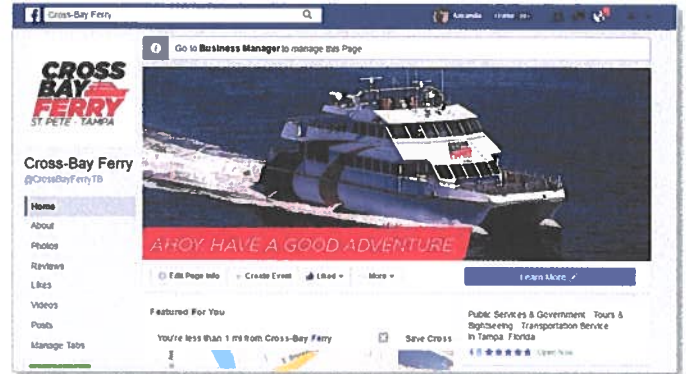
Passengers enjoy a unique on-the-water experience as they cruise the bay to our cities' best museums, restaurants, parks and galleries.

Whether you're on a date or a day trip...
taking in a game or an event...
or just looking to feel that salty breeze in your hair...
set sail aboard the Cross-Bay Ferry today.



For more information and to buy tickets, visit Cross Bay Ferry dot com.

Social Media Platforms



Promo Vouchers

**CROSS
BAY
FERRY**
ST. PETE - TAMPA

SPONSORED BY THE



www.teco.net/tampanor.org

1 ONE

1-DAY UNLIMITED FARECARD*

**50% OFF FOR CROSS-BAY FERRY PASSENGERS
ON THE TECO LINE STREETCAR SYSTEM**

*Purchase All Day Ticket - Youth (5-17), Senior (65+). Discounted Hardware for \$250 at select vending machines.
*Offer valid for Cross-Bay Ferry passengers with valid Cross-Bay Ferry ticket.
Offer can only be used on the date of riding.



Date Valid: _____
Official's Signature: _____

**CROSS
BAY
FERRY**
ST. PETE - TAMPA

1 ONE

COMPLIMENTARY ROUND TRIP TICKET

SPONSORED BY 



Town Hall Invitations



ST. PETE-TAMPA FERRY PROJECT TOWN HALL MEETING

YOU'RE INVITED TO ATTEND

Members of the Cross-Bay Ferry team will present the St. Petersburg-Tampa ferry pilot project to hospitality, restaurant and tourism industry leaders. You are invited to a special presentation to learn about the project and how it can help your bottom line. You will hear about the schedule, the project's marketing plan, and the exciting co-op marketing opportunities that can increase your market profile and drive business to your door.

Ybor City Development Corporation
2015 E. 7th Ave., Tampa, FL 33605
Wednesday, October 5, 2016, from 3 to 4 p.m.

RSVP to RSVP@schiffnolee.com

Sponsored by:



Ybor City

ST. PETE-TAMPA FERRY PROJECT TOWN HALL MEETING

YOU'RE INVITED TO ATTEND

HHS Farnes and Schiffno Lee will present the St. Petersburg-Tampa ferry pilot project to hospitality, restaurant and tourism industry leaders. You are invited to a special presentation to learn about the project and how it can help your bottom line. You will hear about the schedule, the project's marketing plan, and the exciting co-op marketing opportunities that can increase your market profile and drive business to your door.

Tampa Embassy Suites at Tampa Convention Center
Wednesday, September 28, 2016
3:00 - 4:00 p.m.

RSVP to RSVP@schiffnolee.com

Sponsored by:



Tampa

ST. PETE-TAMPA FERRY PROJECT TOWN HALL MEETING

YOU'RE INVITED TO ATTEND

HHS Farnes and Schiffno Lee will present the St. Petersburg-Tampa ferry pilot project to hospitality, restaurant and tourism industry leaders. You are invited to a special presentation to learn about the project and how it can help your bottom line. You will hear about the schedule, the project's marketing plan, and the exciting co-op marketing opportunities that can increase your market profile and drive business to your door.

Hotel Indigo
234 2nd Ave N, St. Petersburg, FL 33701
Tuesday, September 27, 2016
3:00 - 4:00 p.m.

RSVP to RSVP@schiffnolee.com

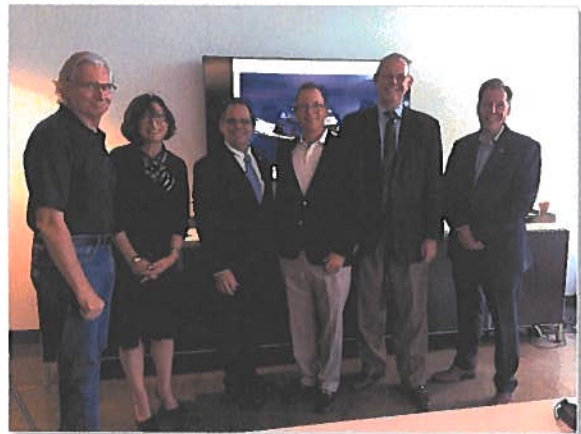
Sponsored by:



St. Petersburg

Press Conference

Launch Press Conference at Schifino Lee



PR Articles



Tampa-St. Pete high-speed ferry service launching this fall

WFLA - Sep 21, 2016

TAMPA, Fla. (WFLA)— A traffic-free commute from downtown Tampa to St. Petersburg will soon be a reality for those in the Bay Area. On Wednesday morning, major developments about high speed ferry service pilot project were released by officials.



All Aboard! The 'Cross-Bay Ferry' is now reality, important dates and service info released

ABC Action News - Sep 21, 2016

Starting October 15th, you can purchase tickets to travel on the brand new "Cross-Bay Ferry" from the St. Pete River Basin to the Tampa Riverwalk. The new ferry service, designed for day-tripping locals, sports fans and tourists, will begin on November ...



Tampa to St. Petersburg ferry service to begin on November 4

SaintPeters Blog (blog) - Sep 21, 2016

Organizers behind a ferry service that will take commuters from downtown Tampa to downtown St. Petersburg provided more details on Wednesday about the service, beginning with giving it a formal title — "The Cross-Bay Ferry." At a news conference held ...



Tampa-St. Pete ferry hits the water in November

FOX 13 News, Tampa Bay - Sep 21, 2016

TAMPA (FOX 13) - There's finally a time frame for the much talked about ferry service between Tampa and St. Petersburg. The ferry will arrive next month. Starting in early November, the ferry will run on the weekends. Then by the end of November, it ...



New details about the Cross-Bay Ferry

WTSP.com - Sep 21, 2016

There are two roundtrips from St. Pete to Tampa Monday through Thursday. The 7 a.m. departure and 5:15 p.m. return is geared to commuters. "We're going to work very closely with the downtown partnerships to identify commuters and price it so it's ...

2018/2019 Program Elements



Logo Artwork

e-Commerce Website

Collateral Materials

Media Advertising:

- Television Ads
- Radio Ads
- Magazine Ads
- Newspaper Ads
- Outdoor Billboard Ads
- Digital & Mobile Ads

Social Media Platforms:

- Facebook
- Twitter
- Instagram

Public Relations:

- Launch Events, i.e. Press Conference & Town Meetings
- Press Announcements/Releases

BUDGET

\$75,000

2018/2019 Preliminary Timeline

[illegible]

THANK YOU

511 west bay street | suite 400 | tampa, florida 33606



schifino lee
advertising + branding

EXHIBIT "B" – Illustration of Submerged Area and Upland Area

Exhibit B



EXHIBIT "C-1" – Payment Schedule - Season 1

Milestone	Payment Amount	Due Date
Initial Deposit	\$ 50,000	September 15, 2018
Long Lead Items and Mobilization	\$100,000	October 31, 2018
Remaining Costs Monthly Payment 1	\$119,466	November 30, 2018
Remaining Costs Monthly Payment 2	\$119,466	December 31, 2018
Remaining Costs Monthly Payment 3	\$119,466	January 31, 2019
Remaining Costs Monthly Payment 4	\$119,466	February 28, 2019
Remaining Costs Monthly Payment 5	<u>\$119,466</u>	March 31, 2019
TOTAL Maximum Cost for Season 1	\$747,330	

EXHIBIT "C-2" – Payment Terms Season 2

<u>Milestone</u>	<u>Payment Amount</u>	<u>Due Date</u>
Initial Deposit	\$ 50,000	September 15, 2019
Long Lead Items and Mobilization	\$100,000	October 31, 2019
Remaining Costs Monthly Payment 1	\$118,425	November 30, 2019
Remaining Costs Monthly Payment 2	\$118,425	December 31, 2019
Remaining Costs Monthly Payment 3	\$118,425	January 31, 2020
Remaining Costs Monthly Payment 4	\$118,425	February 29, 2020
Remaining Costs Monthly Payment 5	<u>\$118,425</u>	March 31, 2020
TOTAL Maximum Cost for Season 2*	\$742,126	

*In the event the Vessel docks at the new St. Pete Pier™, the total maximum cost for season 2 shall be reduced by \$44,000. In such event, the Parties shall execute an amendment to revise this Exhibit C-2.

EXHIBIT "C-3" – Payment Terms Season 3

<u>Milestone</u>	<u>Payment Amount</u>	<u>Due Date</u>
Initial Deposit	\$ 50,000	September 15, 2020
Long Lead Items and Mobilization	\$100,000	October 31, 2020
Remaining Costs Monthly Payment 1	\$117,384	November 30, 2020
Remaining Costs Monthly Payment 2	\$117,384	December 31, 2020
Remaining Costs Monthly Payment 3	\$117,384	January 31, 2021
Remaining Costs Monthly Payment 4	\$117,384	February 28, 2021
Remaining Costs Monthly Payment 5	<u>\$117,384</u>	March 31, 2021
TOTAL Maximum Cost for Season 3*	\$736,921	

*In the event the Vessel docks at the new St. Pete Pier™, the total maximum cost for season 3 shall be reduced by \$44,000. In such event, the Parties shall execute an amendment to revise this Exhibit C-3.

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: In the event the City fails to obtain the necessary approvals as forth in paragraph 17 for each season, the City shall pay Operator an amount not to exceed \$50,000 for documented mobilization costs and expenses incurred by Operator prior to the date of termination.

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 City.

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 by taking the total maximum cost for the season divided by the number of days for such season. For season one the seasonal ferry service daily rate is \$4,128.90 (\$747,330/ 181).

Scenario 4: If the City 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 \$50,000.

Scenario 5: If termination due to a Force majeure event, payment to Operator shall be as described in scenario 3 plus \$50,000.

Scenario 6: If termination because Vessel is damaged and not repaired/replaced in thirty (30) days, payment to Operator shall be as described in scenario 3 plus \$50,000.

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 and not repaired/replaced pursuant to the Agreement, payment to Operator shall be as described in scenario 3 plus \$50,000.

For Scenarios 3 through 8 above, in the event the amount of the payments made by the City 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 City the amount equal to the difference of payments made by the City minus the amount owed to Operator for termination based on scenarios 3 through 8. Operator shall pay such amount within thirty (30) days after the effective date of termination.

EXHIBIT "E" – JOINT PARTICIPATION AGREEMENT