



Pinellas County

Staff Report

File #: 21-1466A, **Version:** 1

Subject:

Interlocal Agreement with Hillsborough County, the City of St. Petersburg, and the City of Tampa for the Cross Bay Ferry Inter-City.

Recommended Action:

Consideration of the four-year Interlocal Agreement among Hillsborough County and the Cities of St. Petersburg and Tampa for the inter-city passenger ferry service.

- Hillsborough County entered into an agreement with HMS Ferries, Inc. (HMS) on June 16, 2021 to operate a seasonal ferry (Ferry) service between St. Petersburg and Tampa. That agreement and the HMS Business and Operations Plan are attached to this item.
- The Interlocal Agreement (ILA) equally shares the cost of inter-city passenger ferry service among the four governmental agencies.
- The ILA stipulates subsidy funding for four seasons beginning October 2021 and extending by 1 month in Years 2 and 3 until 12 full months in Year 4.
- The County's cost of \$822,500 for four years may be reduced based on potential revenue from the HMS and funding assistance from FDOT.
- An ILA termination provision must be exercised not later than June 1 of any year with written notice to Hillsborough County and other participating governments.
- There is no dedicated funding source for the proposed Ferry service. If the ILA is approved, the FY 22 (October 2021 to April 2022) will fund the first year of service from General Revenue.
- A complete staff analysis is attached for additional background.

ILA term beginning October 1, 2021 and related expenditure in the amount of \$822,500 over the agreement period, subject to annual appropriations.

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.4 Invest in infrastructure to meet current and future needs

4.5 Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity

4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors

Deliver First-Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of county services and support

Summary:

ILA commits the County to share funding responsibility for passenger ferry service among Hillsborough County and the Cities of St. Petersburg and Tampa for a period of four (4) years, beginning October 1, 2021. Service will extend by 1 month in Years 2 and 3 until 12 full months in Year 4. Round-trip or one-way service will begin and end in downtown St. Petersburg, at the Vinoy Basin, and downtown Tampa, at Channelside or the Convention Center area.

Background Information:

Hillsborough County and HMS Ferries, Inc. (HMS) entered into an operating agreement on June 16, 2021, for HMS to operate the inter-city seasonal ferry service. Hillsborough County and HMS may amend the schedule by mutual agreement, provided there will be no reduction in the number of weekly trips or change to the duration of a Ferry Service season without written consent from the Participating Governmental Agencies (the County, City of St. Petersburg and City of Tampa).

Pinellas County funded prior interlocal agreements to provide inter-city ferry services.

Year	Term	Cost/Agency	Total Subsidy
Pilot	2016 - 17	\$350,000	\$1,400,000
1	2018 - 19	\$150,000	\$ 600,000
2	2019 - 20	\$150,000	\$ 600,000
3	2020 - 21	\$150,000	\$ 600,000

Annual ridership provided by the City of St. Petersburg in Spring 2020 indicated the pilot year resulted in almost 41,000 riders. There was no service in 2017-18. Years 1 and 2 of the most recent agreement resulted in ridership in the range of 50,000-52,000. The Year 3 estimates were impacted by COVID-19, with something less than 40,000 riders.

Fiscal Impact:

Each of the four (4) participating agencies, including Pinellas County and the cities of Tampa and St. Petersburg, subsidy share is \$175,000 for year one; \$190,000 for year two; \$202,500 for year three and, \$255,000 for year four. Total expenditure for each participating agency, including Pinellas County, for the four (4) years will be \$822,500.00.

Pursuant to the Operating Agreement, Hillsborough County shall receive fifty percent (50%) of all revenues generated from the ferry service above four hundred thousand dollars (\$400,000). In the event Hillsborough County receives any revenues from the ferry service, all participating agencies, including Pinellas County, shall equally share such revenues.

Hillsborough County has requested funding assistance from the FDOT. If such funding is received, the participating agencies cost will be reduced accordingly.

Appropriation for this the first year of this agreement will be included in the FY22 Budget using General Fund revenue.

Staff Member Responsible:

Jill Silverboard, Deputy County Administrator

Partners:

Hillsborough County
City of Tampa
City of St. Petersburg

Attachments:

Interlocal Agreement
Project Location Map