



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

CC: Sarah Spurlock, Assistant City Manager
Greg Veliz, Assistant City Manager

FROM: Doug Bradshaw, Port and Marine Services Director

DATE: December 29, 2015

SUBJECT: Extension of the Agreement for Cruise Ship Passenger Shuttle Service.

ACTION STATEMENT

Approving a two (2) year extension of the Agreement for Cruise Ship Passenger Shuttle Service to Historic Tours of America, Inc. (HTA) per Key West City Ordinance Section 2-797(4)b.

PROJECT ISSUE

Resolution 07-379 awarded an agreement to HTA to provide shuttle service for cruise ship passengers embarking and disembarking from the Navy Outer Mole Pier. The original agreement was extended on November 12, 2012 per Resolution 12-317 and ran through June 30, 2013. The contract was again extended per Resolution 15-018 through December 31, 2015.

In October 2015 the City issued Invitation to Bid #004-16 for similar services, for which there were no responses.

In order to continue with uninterrupted shuttle service to cruise ships scheduled to dock at the Outer Mole, staff is recommending the following at this time:

1. Exempting this contract from the competitive bid requirements per Key West City Ordinance Section 2-797(4)b,
2. Extending the terms of the existing agreement for two (2) years until December 31, 2017 with a current per passenger fee of \$3.55.

HTA has agreed to these conditions. Additionally, HTA is currently the only company in Key West able to provide the service. Under the original bid in 2007, HTA was the only bidder. In 2012 when the City advertised a bid for the service, no companies bid and the City had to negotiate with HTA in order to continue providing the service.

OPTIONS

Key to the Caribbean – Average yearly temperature 77° F.

RESOLUTIONS SUMMARY

There are two options:

1. Authorize the extension of the current agreement based on the above conditions per Key West City Ordinance Section 2-797(4)b.
2. Disapprove the extension of the contract.

ADVANTAGES/DISADVANTAGES

Approval of the extension protects the City from financial loss of canceled port calls.

FINANCIAL ISSUES

There are no financial issues with extending the agreement. The City has budgeted the service and the current per passenger fee collected from the cruise ships is sufficient to cover the expense. If the agreement is canceled and the City is unable to transport passengers off the Outer Mole as required by the Navy, the cruise ships would have to cancel the port calls and the City would lose the corresponding revenues.

RECOMMENDATION

Staff recommends approving a two (2) year extension of the Agreement for Cruise Ship Passenger Shuttle Service to Historic Tours of America, Inc. (HTA) per Key West City Ordinance Section 2-797(4)b.