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RESOLUTION NO. 12-317

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED "FIRST AMENDMENT TO AGREEMENT," AMENDING THE "AGREEMENT BETWEEN THE CITY OF KEY WEST AND HISTORIC TOURS OF AMERICA, INC. FOR THE PROVISION OF SHUTTLE SERVICES FOR CRUISE SHIP PASSENGERS"; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in Resolution No. 07-379, the City Commission awarded the bid of Historic Tours of America, to provide shuttle services for cruise ship passengers for the City of Key West;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the attached "First Amendment to Agreement," between the City and Historic Tours of America is hereby approved.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held  
this 7th day of November, 2012.

Authenticated by the presiding officer and Clerk of the  
Commission on November 8, 2012.

Filed with the Clerk November 8, 2012.

  
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CRAIG BATES, MAYOR

ATTEST:

  
\_\_\_\_\_  
CHERYL SMITH, CITY CLERK



# Executive Summary

**To:** Bogdan Vitas, City Manager

**From:** Jim Fitton, Port & Transit Director

**Via:** David Fernandez, Assistant City Manager, Operations  
Mark Finanigan, Assistant City Manager, Administration

**Date:** October 10, 2012

**Re:** **CONTRACT FOR CRUISE SHIP TRANSPORTATION SERVICES**

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## ACTION ITEM

This is a request to enter into a contract with Historic Tours of America to provide transportation services for cruise ship passengers from the Outer Mole Pier.

## BACKGROUND

At the August 7<sup>th</sup>, 2012 Commission meeting the Commission rejected the only bid for transportation service as non-responsive and directed the City Manager to negotiate an interim agreement with a qualified contractor, Resolution 12-236. Staff approached both local vendors concerning an agreement to provide services thru 30 June 2013, with a possible six month extension. HTA was the only contractor able to provide the needed service.

The proposed contract is an extension of their current contract with the City with two minor changes. The number of passengers to be transported per hour was reduced from 1700 to 1500 and the cost for using City buses to supplement was set at the City's standard non-profit rate, currently \$60 per hour.

## FINANCIAL IMPACT:

Without a transportation contract the City will be unable to utilize the Outer Mole Pier for cruise ships, which contributes over net \$500,000 to the City General Fund annually.

## OPTIONS:

1. Approval of this request will ensure transportation is available for the Outer Mole Pier while the City negotiates a long term lease with the US Navy for use of the pier.

2. Disapproval will require cancellation of cruise ships scheduled to moor at the Outer Mole Pier

## RECOMMENDATION:

Staff recommends approval.

## FIRST AMENDMENT TO AGREEMENT

This Amendment to Agreement is entered into this 8th day of November, 2012, by and between the City of Key West, Florida, a municipal corporation (hereinafter the "City") and Historic Tours of America, Inc., a Florida corporation (hereinafter "HTA").

### WITNESSETH

WHEREAS, CITY and HTA entered into an Agreement on the 19<sup>th</sup> day of October, 2007, (the "Agreement"), pertaining to shuttle services for cruise ship passengers, a copy of which is attached hereto, incorporated by reference, and more particularly described as Exhibit "A"; and

WHEREAS, the Agreement expires on October 18, 2012; and

WHEREAS, CITY is required to obtain contractual shuttle services for cruise ship passengers pursuant to the competitive bidding process; and

WHEREAS, on August 7, 2012, the City Commission of the City of Key West, Florida, passed Resolution No. 12-236, directing City staff to negotiate an agreement with a qualified contractor terminating at a time certain to facilitate the issuance and award of a competitive bid for cruise ship passenger shuttle service; and

WHEREAS, CITY and HTA desire to amend the Agreement to provide for continued contractual shuttle services for cruise ship passengers for a limited period of time beyond the said expiration date of the Agreement.

NOW, THEREFORE, in mutual consideration of the benefits conferred upon the parties by the terms of this Amendment, CITY and HTA agree to modify the Agreement as follows:

RECITALS: That the above recitals are true and correct and made a part hereof;

Section 1: Paragraph 2.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

In resolving inconsistencies among two or more sections of these documents, precedence shall be given in the following order: First Amendment to Agreement, Agreement, HTA's response, City's RFP.

**Section 2:** Paragraphs 2.3 and 2.4 of the Agreement are hereby deleted in their entirety and replaced with the following:

In consideration of the performance of the services as set forth in the attached Service Requirements, the City shall to pay to HTA based on eighty percent (80%) of the total number of passengers and fifty percent (50%) of the crew members as evidenced on the manifest for each vessel docking at the Outer Mole Pier. The rate per passenger and crew will be \$3.55.

**Section 3:** Paragraph 2.8 of the Agreement is hereby deleted in its entirety and replaced with the following:

HTA shall transport a minimum of 1,500 passengers per hour from any ship subject to this Agreement. In the event HTA is unable to transport a minimum of 1,500 passengers from any such ship, City will provide the additional means of transportation, and HTA shall reimburse City at the rate of \$60.00 per hour for each vehicle provided, with a minimum charge for 2 hours per occurrence. In the event City requires transportation of more than 1,500 passengers per hour from any ship, City shall provide the additional means of transportation at City's sole cost and expense.

**Section 4:** Paragraph 3.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

Dec 30, 2013

This Agreement is for a term ending on June 30, 2013. HTA and City may extend the Agreement on the same terms and conditions, for an additional six (6) calendar month period, with an increase negotiated by both parties, if mutually agreed to by the parties at least sixty (60) calendar days prior to the contract expiration. If not renewed prior to the time specified, City may proceed to go out for bid for the services.


**Section 5:** Except as modified herein, the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment to Agreement on the date first written above.

CITY OF KEY WEST, FLORIDA

By:   
Craig Cates, Mayor



  
Ryle Smith, City Clerk

HISTORIC TOURS OF AMERICA, INC.

*Hope Casas*  
\_\_\_\_\_  
Witness

*[Signature]*  
\_\_\_\_\_  
Witness

By:   
\_\_\_\_\_  
Edwin O. Swift III, President

RESOLUTION NO. 12-236

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, REJECTING THE BID RECEIVED IN RESPONSE TO INVITATION TO BID (ITB) #12-020, FOR CRUISE SHIP PASSENGER SHUTTLE SERVICE, PURSUANT TO SECTION 2-834 OF THE CODE OF ORDINANCES; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the sole response to ITB #12-020 included modifications which rendered it non-responsive; and

WHEREAS, City staff anticipates a new lease with the U.S. Navy for the Mole Pier area will be negotiated and become effective upon the expiration of the current lease in June, 2013; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the bid received in response to ITB #12-020, for Cruise Ship Passenger Shuttle Service is rejected pursuant to city code of ordinances section 2-834.

Section 2: That City staff is hereby authorized to negotiate an agreement for cruise ship passenger shuttle service at the Navy Mole Pier to terminate no more than six months after the commencement of the new Navy Mole lease (anticipated to commence in June, 2013), to facilitate the issuance and award of a competitive bid for cruise ship passenger shuttle service in conformance with that new lease.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 7th day of August, 2012.

Authenticated by the presiding officer and Clerk of the Commission on August 8, 2012.

Filed with the Clerk August 8, 2012.

ATTEST:

Cheryl Smith  
CHERYL SMITH, CITY CLERK

Craig Cates  
CRAIG CATES, MAYOR