



Executive Summary

To: Bogdan Vitas, City Manager

From: Jim Fitton, Port & Transit Director

Via: David Fernandez, Assistant City Manager, Operations
Mark Finigan, Assistant City Manager, Administration

Date: October 10, 2012

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

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 7th, 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.