SUMMARY STATEMENT

ITEM NO.                     SUBJECT: RiverLink Ferry System Operating Contract

COMMITTEE:                     Operations and Maintenance

COMMITTEE MEETING DATE:                                 December 8, 2004

BOARD ACTION DATE:                                              January 19, 2005

PROPOSAL: That the Board authorizes PPC staff to exercise the one year option in the Hornblower Marine Services contract to operate the RiverLink Ferry System in 2005.

PURPOSE: To continue to operate the Ferry System safely, satisfactorily and cost-effectively with Hornblower Marine Services, the current operator of the RiverLink Ferry Service.

BACKGROUND: PPC entered into a contract with Hornblower Marine Services in April 2004 after issuing a Request For Proposal for an Operator of the RiverLink Ferry Service. The firm was found to have an outstanding record in operating ferry services around the country and was highly qualified for the task.

In 2004, staff was pleased with the service that Hornblower provided to DRPA and to our customers, and would like to exercise the one year option in the DRPA/Hornblower contract.

In accordance with the first year of the contract, Hornblower would again pay DRPA a set fee to operate the service. PPC is negotiating for a baseline fee of approximately $75,000 for the operation of the Freedom Ferry during normal operating hours and a fee of $1,000 per charter. The fee is a $25,000 increase over the $50,000 DRPA received for the 2004 season from Hornblower. DRPA should be able to negotiate a higher fee due to anticipated higher ridership attributable to the opening of and marketing for the Adventure Aquarium. If ridership exceeds a certain number of passengers, DRPA will also negotiate to receive an additional percentage of the revenues from that ridership (above $75,000).

The proposed 2005 operating season will be approximately Friday through Sunday April 8- April 30, seven days a week from May through...
September and Friday through Sunday for the month of October. The operating hours will be extended from those offered in 2004 to better accommodate visitors.

New to the RiverLink Ferry System in 2005 will be the addition of a vessel owned by Hornblower, the *Independence*. The second vessel will be used during peak operating times, such as concerts and other special events. It will be used by Hornblower to provide harbor cruises and charters when not needed for peak events. Hornblower brought the vessel to Camden at DRPA’s request at no cost to DRPA, providing the most cost-effective way to “expand” the system and provide overall better customer service. The ability to provide additional capacity with no capital cost is a tremendous benefit to DRPA and our customers.

**SUMMARY:**

- **Amount:** 
at least $75,000 in revenue to DRPA
- **Source of Funds:** Hornblower Marine Services, Inc.
- **Capital Project #:** N/A
- **Operating Budget:** PPC Ferry
- **Master Plan Status:** N/A
- **Other Fund Sources:** N/A
- **Duration of Contract:** 1 year (extension)
- **Other Parties Involved:** Hornblower Marine Services, Inc.
RESOLUTION

RESOLVED: That the Board authorizes PPC staff to exercise the one-year option of the Hornblower Marine Services contract for 2005; and be it further

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:
Amount: at least $75,000 in revenue to DRPA
Source of Funds: Hornblower Marine Services Inc.
Capital Project #: N/A
Operating Budget: PPC Ferry
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: 1 year (extension)
Other Parties Involved: Hornblower Marine Services, Inc.