



MEMORANDUM

TO: The Honorable Satpal Sidhu, Whatcom County Executive
The Honorable Members of the Whatcom County Council

THROUGH: Jon Hutchings, Public Works Director *JHX SIGN FOR DIRECTOR*

FROM: Chantelle Hilsinger, Ferry Coordinator *CH*

RE: Temporary Passenger Ferry Service to Lummi Island

DATE: July 15, 2020

Enclosed are two (2) originals of the contract between San Juan Cruises and Whatcom County for Temporary Passenger Ferry Service to Lummi Island for your review and signature.

- **Requested Action**

Public Works respectfully requests that the County Executive and Whatcom County Council enter into a contract with San Juan Cruises for \$83,328 for Temporary Passenger Ferry Service to Lummi Island for the 2020 dry dock period, and continued temporary ferry service throughout the year as identified in the contract document.

- **Background and Purpose**

Proposals were duly advertised and submitted for Temporary Passenger Ferry Service to Lummi Island (RFP #20-26). The County requested proposals for three types of service: 1) Passenger Service utilizing floating docks, 2) Passenger Service not requiring floating docks, and 3) Vehicle Ferry Service. The County received one proposal for Passenger Service utilizing float docks. We did not receive any proposals for the other two types of service.

The only bidder, San Juan Cruises, quoted the following rates: The daily rate for September 1 through April 30 will be \$3200. This time period coincides with the annual dry dock. The daily rate for May 1 through August 31 will be \$6,400, if needed for emergencies during that time period.

- **Funding Amount and Source**

The contract bid results exceeded the existing budget by \$10,000. Public Works intends to absorb this increase within the existing budget. Public Works sees no advantage to rebid as this contract has historically yielded a limited number of bidders. Additionally, this contract is required for emergency and planned ferry outages and requires renewal by July 31st, 2020. A lapse in contract coverage could result in loss of service to and from Lummi Island requiring emergency contract pricing. The contract term is for one year in the amount of \$83,328. The contract will be valid August 1, 2020 through July 31, 2021. This contract includes the option of up to four additional one-year contract renewals/extensions for a potential total of five (5) years

and \$431,640 (based upon estimates of a 22 day dry dock, 2 day buffer, and 8.5% sales tax). A local CPI rate adjustment will be added each renewal year per the bid terms.

- **Differences from Previous Contract**

Contract was last bid in 2015, with four- annual renewals. The previous contract amount (San Juan Cruises) was for a daily rate of \$2,800 for the period of September 1 through April 30, and a daily rate of \$6,500 for the period of May 1 through August 31. The CPI rate adjustment was in place for the previous contract.

Thank you for your time considering this contract. Should you have any questions regarding this matter, please contact Chantelle Hilsinger at extension 6235.