



**Massachusetts Bay
Transportation Authority**

Water Transportation Service

Approval of Contract: Boston Harbor Cruises

October 29, 2018



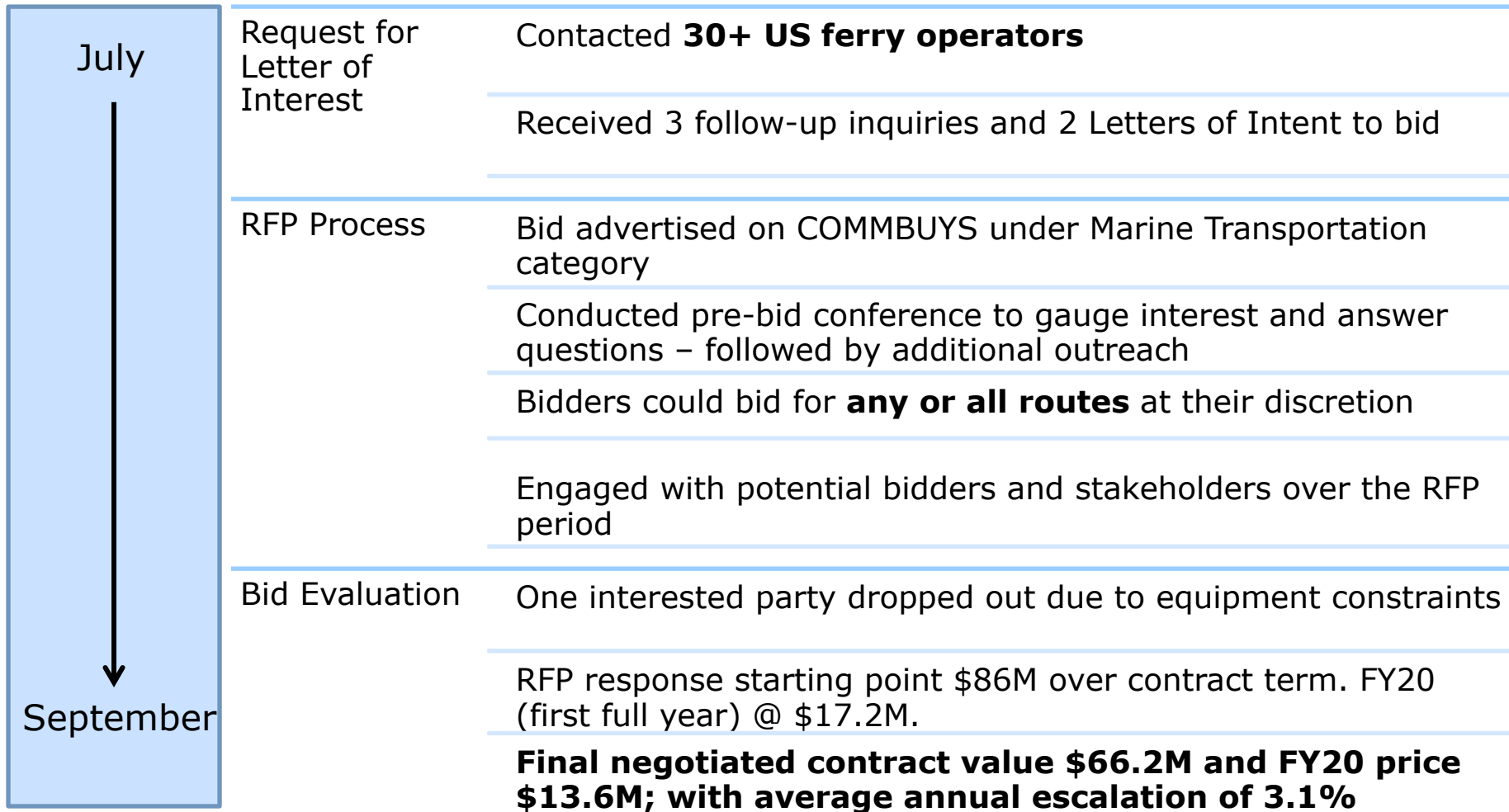
General Overview

- Currently three lines of service with Boston Harbor Cruises (BHC) as operator
- Main contract signed in 2013, followed by 4 extensions – ends on November 26th 2018
- FY2018 ferry operations subsidy was \$10.1M (non-fuel); fuel spend in FY2018 was \$2.2M (billed at actual cost) – FY18 total spend \$12.3M

Route	Hingham to Rowes Wharf	Hingham/Hull/Logan to Boston	Charlestown to Boston
FY18 operations subsidy	\$6.5M	\$2.3M	\$1.3M
Trip time	30-35 minutes	30-45 minutes (depending on destination)	10 minutes
Trips/day – Weekdays	36	38 Mon-Thurs 40 Friday	78 Mon-Friday
Trips/day - Weekends	N/A	32 Saturday 28 Sunday	34 Saturday & Sunday
Annual Trips	9.2 K	11.2 K	23.6 K
Annual Passengers	780 K	370 K	335 K
Vessel Ownership	Vendor owned	MBTA owned	Vendor owned



MBTA set out to procure a ferry operator in a way that maximizes competition through an RFP – Looking for 5 year term





New Contract Overview

Contract information

- Contracts length: 4 years and 8 months – October 27, 2018 – June 30, 2023
- Contracts value: \$ 66.2 million (without fuel*) and estimated \$81.0 million (with fuel, based on October 2018 diesel rate)
- MBTA may terminate contract without cause and without penalty

Route	Contract Value	Old Contract * – Cost per trip	New Contract** – Cost per trip	Difference
Hingham to Rowes Wharf	\$ 39.2M	\$ 715.13	\$ 929.44	30%
Hingham/Hull/Logan to Boston	\$ 17.7M	\$ 209.38	\$ 340.86	63%
Charlestown to Boston	\$ 9.3M	\$ 56.05	\$ 79.19	41%

Service enhancements and improved contract oversight

- On Time Performance (OTP) requirement improved from **30 minutes to 5 minutes**
 - 6-10 minutes late: 25% penalty
 - 11-20 minutes late: 50% penalty
 - 21-30 minutes late: 75% penalty
 - Over 30 minutes late: 100% Penalty
- **Safety improvements** – 2nd captain requirements



Request of FMCB

- Staff request that the Fiscal and Management Control Board authorize the General Manager to enter in to an agreement with Nolan Associates LLC (DBA Boston Harbor Cruises) for Water Transportation in accordance with RFPs #103A-18; #103B-18; #103C-18
- Contracts term anticipated to be 4 years, 8 months and amount not to exceed \$66,153,411 for services and fuel estimated at \$14,847,244, Totaling \$81,000,655. Fuel based on October 2018 actual costs.