



Massachusetts Bay Transportation Authority

MBTA Ferry Service Contract Amendment

**Amendment No. 2 to Boston Harbor Cruises Contracts for Routes 1
(Quincy), 2 (Hingham), & 3 (Charlestown)**

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Chief Procurement Officer
June 5, 2017**



Overview

MBTA Procurement & Logistics and Railroad Operations Departments have worked together to **reduce the cost of MBTA Ferry services**.

The team has identified **significant saving** that will have **no impact on schedule, safety, or the experience** of dedicated MBTA Ferry customers.

Staff requests that the Board approve an amendment to the one of the current contracts in order for the Authority to realize these savings and align contracts in a single procurement cycle.



Amendment No. 2 to Ferry Services Contracts

- ❑ The Procurement & Logistics and Railroad Operations Departments propose that the FMCB authorize the Acting General Manager to sign a new Amendment No. 2 to Boston Harbor Cruises in the not-to-exceed contract amount of \$11,013,173 to cover MBTA Ferry Services from June 5, 2017 through June 30, 2018.
- ❑ The Amendment No. 2 amount is \$4.3 million dollars lower than the initial estimate of \$15,333,585 for the same time period. Based on the contract's current terms, this represents an overall reduction of 28.2% in the MBTA Ferry Services budget over the next 13 months.
- ❑ None of the changes in Amendment No. 2 will affect adversely safety, customer service, or schedules and all are within the scope of the current contracts.



Amendment No. 2 to Ferry Services Contracts

- ❑ MBTA currently uses 3 separate contracts for each MBTA Ferry Service route: (1) Quincy, (2) Hingham, and (3) Charlestown. All three routes are served by Boston Harbor Cruises and are managed by Railroad Operations on a day to day operational level, with assistance from Procurement & Logistics.
- ❑ A previous board approval extended Quincy Service through September 2017 at the current rates, costs, and terms of the original agreements.
- ❑ The remaining two contracts, Hingham and Charlestown, were not presented to the Board but were allowed extensions for three months, which is coming to a close.



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The Procurement & Logistics and Railroad Operations Departments reviewed the Ferry Services Contracts and decided on the following actions:

- ✓ Organize all three contracts to make them co-terminus for clearer contract management.
- ✓ Extend all three contracts to conform to the MBTA fiscal year cycle to also allow for sufficient time to develop replacement RFP for future replacement MBTA Ferry Services Contract.
- ✓ Review current agreements for cost savings to be implemented without impacting current customer services or schedules.



Amendment No. 2 to Ferry Services Contracts

Meetings were held with Boston Harbor Cruises to review the terms of the Contract and discuss cost-cutting initiatives that would not adversely affect customer safety or schedules for the duration of Amendment No. 2 scope through June 2018. These negotiations resulted in the following:

- 1) The MBTA will allow BHC to utilize our diesel fuel pricing, saving about \$0.60 per gallon for Ferry Services;
- 2) The MBTA Contractual mandate for two captains per MBTA ferry has been revised in compliance with U.S. Coast Guard Licensing Requirements, Regulations (reducing BHC costs); and,
- 3) The MBTA has administratively combined the Quincy and Hingham routes, each with its own back-up ferry vessel. The back-up ferry will be combined (shared) for both Ferry Service routes, thereby eliminating the need for one back-up vessel.



Standard USCG Certificate of Inspection

	United States of America Department of Homeland Security United States Coast Guard			Certification Date: 12 Oct 2012 Expiration Date: 12 Oct 2017		
	<h2>Certificate of Inspection</h2> <p>For ships on international voyages this certificate fulfills the requirements of SOLAS 74 as amended, regulation VI/14, for a SAFE MANNING DOCUMENT.</p>					
Vessel Name	Official Number	IMO Number	Call Sign	Service		
FLYING CLOUD	1047743		WDD7817	Passenger (Inspected)		
Hailing Port	Hull Material	Horsepower	Propulsion			
BOSTON, MA	FRP (Fiberglass)	1930	Jet Drive			
UNITED STATES						
Place Built	Delivery Date	Keel Laid Date	Gross Tons	Net Tons	DWT	Length
SOMERSET MA, UNITED STATES	08Nov1996	20Jul1996	R-70 1-141	R-47 1-54		R-75.8 1-75.8
Owner	Operator					
MASSACHUSETTS BAY TRANSPORTATION AUTHORITY 45 HIGH STREET 9TH FLOOR BOSTON, MA 02110 UNITED STATES	NOLAN ASSOCIATES LLC ONE LONG WHARF BOSTON, MA 02110 UNITED STATES					
This vessel must be manned with the following licensed and unlicensed Personnel. Included in which there must be 0 Certified Lifeboatmen, 0 Certified Tankermen, 0 HSC Type Rating, and 0 GMDSS Operators.						
1 Masters	0 Licensed Mates	0 Chief Engineers	0 Qual. Member Eng. Depts			
0 Chief Mates	0 First Class Pilots	0 First Assistant Engineers	0 Oilers			
0 Second Mates	0 Radio Officers	0 Second Assistant Engineers	0 Crew Members			
0 Third Mates	0 Able Seamen	0 Third Assistant Engineers				
0 Master First Class Pilot	0 Ordinary Seamen	0 Licensed Engineers				
0 Mate First Class Pilots	2 Deckhands	0 Non Licensed Engineer Dept				
In addition, this vessel may carry 149 Passengers, 0 Other Persons in crew, 1 Persons in addition to crew, and no Others. Total Persons allowed: 153						



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These cost savings impacted each route below as follows:

Quincy Pemberton Point, Hull & Quincy Shipyard, Quincy to Logan Airport, and Long Wharf	Cost Savings Per Trip	Amendment Value
Contract Extension through June 2018	(\$161.09)	\$2,531,017.82
Hingham Hewitt's Cove Marina, Hingham to Rowe's Wharf, Boston	Cost Savings Per Trip	Amendment Value
Contract Extension through June 2018	(\$228.00)	\$7,056,187.71
Charlestown Charlestown Navy Yard to Long Wharf, Boston	Cost Savings per Trip	Amendment Value
Contract Extension through June 2018	(\$4.47)	\$1,425,968.05



Amendment No. 2 to Ferry Services Contracts

The Procurement & Logistics Department requests that the FMCB authorize the Amendment No. 2 to Contracts 1, 2, and 3 with Boston Harbor Cruises for ferry services to MBTA through June 30, 2018, in the cumulative award of \$11,013,173.