

**St. Petersburg City Council Agenda Item
Meeting of August 15, 2019
Report**

To: The Honorable Charles Gerdes, Chair and Members of City Council

Subject:

A resolution approving the interlocal agreement between the City of St. Petersburg, Florida, Pinellas County, Florida, City of Tampa, Florida, and Hillsborough County, Florida for funding for seasons two and three of the seasonal (i.e., November 1 through April 30) ferry service; authorizing the City Attorney's office to make non-substantive changes to the interlocal agreement; authorizing the Mayor or his designee to execute the interlocal agreement; approving a supplemental appropriation in the amount of \$50,000 from the unappropriated balance of the General Fund (0001) to the Transportation and Parking Management Department, Transportation Administration Division (2811797) to provide part of the City's funding for season two of the seasonal ferry service; and providing an effective date.

Explanation:

On August 2, 2018, the City of St. Petersburg entered into a license and operating agreement with HMS Ferries to manage and operate the seasonal ferry service between St. Petersburg and Tampa for up to three seasons (i.e., November 1 through April 30) commencing in November 2018 ("Ferry Service"). Having successfully completed the first season of service with over 52,000 passengers, the City has indicated to HMS that a second season of service should be initiated per the terms of the existing agreement.

Accordingly, a new interlocal agreement between the four local government entities, the City of St. Petersburg, Pinellas County, City of Tampa, and Hillsborough County is needed to allow the funding contributions from each participating jurisdiction to be provided in support of the passenger ferry service. Like the interlocal agreement from the 2018-2019 season, it addresses the purpose of the project, describes the ferry services to be provide, and indicates the City of St. Petersburg will retain responsibility for approving any changes related to the License and Operating Agreement with HMS, such as any changes to the weekly operations schedule. The interlocal agreement also continues to address the apportionment to the local governments of any revenue sharing included in the License and Operating Agreement as it had in the prior interlocal agreement. It notes however, that operating revenues in the 2018-2019 season did not exceed the minimum threshold for revenue-sharing, or \$400,000, and it's not anticipated that the threshold will be met in seasons two and three.

Unlike the prior interlocal agreement, the term of the new interlocal agreement covers both remaining seasons contemplated through the existing license and operating agreement with HMS. Further, the agreement indicates that each of the other governmental partners will equally appropriate funding required to provide ferry service for seasons two and three. The funding amounts included for the local governments reflect the full use of the previously awarded grant by the Florida Department of Transportation.

Based on the timing of payments required by the agreement with HMS in order to begin service

on November 1, an appropriation of a portion of the City's contribution is required at this time. The Council resolution requests an appropriation in the amount of \$50,000 that would provide part of the City's funding participation for season two. The remaining funding for the City's contribution to season two (\$99,182) has been included in the recommended FY20 budget that is expected to be adopted by City Council on September 19, 2019.

Cost:

Collectively, when combined with the funding provided from the participating governments that are a party to the interlocal agreement and the FDOT grant, the City's appropriation is sufficient to cover the maximum government contribution. Funding will be available after the approval of a supplemental appropriation in the amount of \$50,000 from the unappropriated balance of the General Fund (0001) to the Transportation and Parking Management Department, Transportation Administration Division (2811797). The remaining funding needed in the amount of \$447,546 received from Pinellas, Tampa, and Hillsborough pursuant to the Interlocal Agreement and the remaining balance of the City's portion (\$99,182) will be available after City Council adoption of the FY20 Operating Budget.

Recommendations: Administration recommends that Council adopt the attached resolution, a resolution approving the interlocal agreement between the City of St. Petersburg, Florida, Pinellas County, Florida, City of Tampa, Florida, and Hillsborough County, Florida for funding for seasons two and three of the seasonal (i.e., November 1 through April 30) ferry service; authorizing the City Attorney's office to make non-substantive changes to the interlocal agreement; authorizing the Mayor or his designee to execute the interlocal agreement; approving a supplemental appropriation in the amount of \$50,000 from the unappropriated balance of the General Fund (0001) to the Transportation and Parking Management Department, Transportation Administration Division (2811797) to provide part of the City's funding for season two of the seasonal ferry service; and providing an effective date.

Attachments:

- (1) Resolution
- (2) Current draft of the Interlocal Agreement

Approvals:

Administration

8-01-19
Date

Budget

08/01/2019
Date

RESOLUTION NO. 2019-__

A RESOLUTION APPROVING THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF ST. PETERSBURG, FLORIDA, PINELLAS COUNTY, FLORIDA, CITY OF TAMPA, FLORIDA, AND HILLSBOROUGH COUNTY, FLORIDA FOR FUNDING FOR SEASONS TWO AND THREE OF THE SEASONAL (I.E., NOVEMBER 1 THROUGH APRIL 30) FERRY SERVICE; AUTHORIZING THE CITY ATTORNEY'S OFFICE TO MAKE NON-SUBSTANTIVE CHANGES TO THE INTERLOCAL AGREEMENT; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$50,000 FROM THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND (0001) TO THE TRANSPORTATION AND PARKING MANAGEMENT DEPARTMENT, TRANSPORTATION ADMINISTRATION DIVISION (2811797) TO PROVIDE PART OF THE CITY'S FUNDING FOR SEASON TWO OF THE SEASONAL FERRY SERVICE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, passenger ferries represent an option for providing transportation capacity and service between communities and destinations located around Tampa Bay; and

WHEREAS, passenger ferries represent a regional transportation capacity option that can be implemented faster than other options; and

WHEREAS, passenger ferries can provide an elegant and iconic connection to and between major cities and destinations around Tampa Bay and have significant potential to boost urban and environmental tourism in Tampa, St. Petersburg, Pinellas County and Hillsborough County by providing greater participation and attendance at major sporting events, museums, restaurants and special events in these areas; and

WHEREAS, the City of St. Petersburg ("City") and HMS Ferries, Inc. ("HMS") entered into a license and operating agreement on August 3, 2018, for HMS to manage and operate the seasonal ferry service between St. Petersburg and Tampa for up to three seasons (i.e., November 1 through April 30) commencing in November 2018 ("Ferry Service"); and

WHEREAS, the City, Pinellas County, Florida ("Pinellas"), City of Tampa, Florida ("Tampa"), and Hillsborough County, Florida ("Hillsborough") entered into an interlocal agreement on September 14, 2018 for Pinellas, Tampa, and Hillsborough to provide funding in the amount of \$150,000 for season one of the Ferry Service; and

WHEREAS, season one of the Ferry Service was successful; and

WHEREAS, the City is requesting funding from Pinellas, Tampa, and Hillsborough for season two (i.e., November 1, 2019 through April 30, 2020) and season three (i.e., November 1, 2020 through April 30, 2021) of the Ferry Service; and

WHEREAS, the City, Pinellas, Tampa, and Hillsborough desire to execute a new interlocal agreement for Pinellas, Tampa, and Hillsborough to provide funding for seasons two and three of the Ferry Service; and

WHEREAS, a supplemental appropriation in the amount of \$50,000 from the unappropriated balance of the General Fund (0001) to the Transportation and Parking Management Department, Transportation Administration Division (2811797) is needed to provide part of the funding for season two of the Ferry Service; and

WHEREAS, funding in the amount of \$447,546 received from Pinellas, Tampa, and Hillsborough pursuant to the Interlocal Agreement and the remaining balance of the City's portion (\$99,182) will be available after City Council adoption of the FY20 Operating Budget; and

WHEREAS, the remaining funding needed for the operation of season two of the Ferry Service is available from a previously secured grant from the Florida Department of Transportation.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida, that the Interlocal Agreement between the City of St. Petersburg, Florida, Pinellas County, Florida, City of Tampa, Florida, and Hillsborough County, Florida for funding for seasons two and three of the seasonal (i.e., November 1 through April 30) ferry service is hereby approved.

BE IT FURTHER RESOLVED that the City Attorney's Office is authorized to make non-substantive changes to the Interlocal Agreement.

BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to execute the Interlocal Agreement.

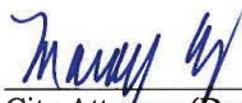
BE IT FURTHER RESOLVED that there is hereby approved the following supplemental appropriation from the unappropriated balance of the General Fund (0001) for fiscal year 2019:

General Fund (0001)

Transportation and Parking Management, Transportation Admin (2811797) \$50,000

This Resolution shall become effective immediately upon its adoption.

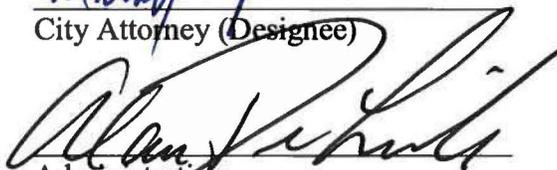
Approvals:



City Attorney (Designee)



Budget



Administration
00463868 Final

Attached is the current draft of the Interlocal Agreement between the City of St. Petersburg, City of Tampa, Hillsborough County and Pinellas County that will be discussed at the August 15, 2019 City Council meeting. This draft is under final review by the City and other governmental agencies.

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (“Agreement”) is made and entered into as of this _____ day of _____, 2019 by and between the City of St. Petersburg, Florida (“City of St. Petersburg”) and Pinellas County, Florida (“Pinellas”), City of Tampa, Florida (“Tampa”), and Hillsborough County, Florida (“Hillsborough”). For purposes of this Agreement, Pinellas, Tampa and Hillsborough shall be referred to collectively as the “Participating Governmental Agencies” and the “Parties” to this Agreement shall be the City of St. Petersburg and the Participating Governmental Agencies.

RECITALS

WHEREAS, passenger ferries represent an option for providing transportation capacity and service between communities and destinations located around Tampa Bay; and

WHEREAS, passenger ferries represent a regional transportation capacity option that can be implemented faster than other options; and

WHEREAS, passenger ferries can provide an elegant and iconic connection to and between major cities and destinations around Tampa Bay and have significant potential to boost urban and environmental tourism in Tampa, St. Petersburg, Pinellas County and Hillsborough County by providing greater participation and attendance at major sporting events, museums, restaurants and special events in these areas; and

WHEREAS, the City of St. Petersburg and HMS Ferries, Inc. (“HMS”) entered into a license and operating agreement on August 3, 2018, for HMS to manage and operate the seasonal ferry service between St. Petersburg and Tampa for up to three seasons (i.e., November 1 through April 30) commencing in November 2018 (“Ferry Service”); and

WHEREAS, the Parties entered into an interlocal agreement on September 14, 2018 for the Participating Governmental Agencies to provide funding in the amount of \$150,000 for season one of the Ferry Service; and

WHEREAS, the City of St. Petersburg is requesting funding from the Participating Governmental Agencies for season two (i.e., November 1, 2019 through April 30, 2020) and season three (i.e., November 1, 2020 through April 30, 2021) of the Ferry Service.

NOW, THEREFORE, for and in consideration of the foregoing recitals (all of which are hereby adopted as an integral part of this Agreement), the mutual promises, covenants, and conditions herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City of St. Petersburg and the Participating Governmental Agencies hereby agree as follows:

1. PURPOSE

The City of St. Petersburg and the Participating Governmental Agencies desire to enter into this Agreement for the Participating Governmental Agencies to provide funding for season two (i.e., November 1, 2019 through April 30, 2020) and season three (i.e., November 1, 2020 through April 30, 2021) of the Ferry Service.

2. DESCRIPTION OF FERRY SERVICE

A. The Ferry Service is a seasonal ferry transit operation that will provide direct service from downtown St. Petersburg to downtown Tampa (Channelside or convention center areas) from November 1 through April 30. HMS is responsible for managing and operating the Ferry Service pursuant to and in accordance with the License and Operating Agreement between the City of St. Petersburg and HMS dated August 3, 2018 (“License and Operating Agreement”). The License and Operating Agreement (which includes the Operations Plan) is made a part of this Agreement by reference. Pursuant to the License and Operating Agreement, the City of St. Petersburg and HMS may amend the schedule by mutual written agreement, provided that there will be no reduction in the number of weekly trips without written consent from the Participating Governmental Agencies.

B. If HMS decides to dock the vessel at a Tampa owned or controlled facility, Tampa will negotiate in good faith with HMS to allow HMS to obtain necessary dockage for the Ferry Service.

3. MONTHLY REPORTS AND RECORDS

A. The City of St. Petersburg shall remit the monthly operations reports to the Participating Governmental Agencies within five (5) days after receipt of such reports from HMS.

B. The City of St. Petersburg will keep records related to payments made to HMS pursuant to the License and Operating Agreement.

4. FUNDING AND WAIVER OF FEES

A. Each of the Participating Governmental Agencies shall pay the City of St. Petersburg one hundred forty nine thousand one hundred eighty-two dollars (\$149,182) for season two of the Ferry Service. The City of St. Petersburg will invoice the Participating Governmental Agencies by October 1, 2019, and the Participating Governmental Agencies shall remit payment to the City of St. Petersburg on or before November 1, 2019.

B. Each of the Participating Governmental Agencies shall pay the City of St. Petersburg one hundred forty seven thousand eight hundred eighty-one dollars (\$147,881) for season three of the Ferry Service. If the vessel is able to dock at the St. Pete Pier™ for season three of the Ferry Service, the amount of funding from each of the Participating Governmental Agencies shall be reduced to one hundred thirty six thousand eight hundred eighty-one dollars (\$136,881), otherwise the amount of funding from each of the Participating Governmental Agencies shall remain \$147,881. The City of St. Petersburg will invoice the Participating

Governmental Agencies by October 1, 2020, and the Participating Governmental Agencies shall remit payment to the City of St. Petersburg on or before November 1, 2020.

C. If the Ferry Service for season two and/or season three does not commence due to the fault of HMS, the City of St. Petersburg shall reimburse the Participating Governmental Entities the full amount of their funding contributions.

D. If the Ferry Service for season two and/or season three does not commence due to a force majeure event, any of the funds paid to the City of St. Petersburg for the Ferry Service that are not expended pursuant to the License and Operating Agreement shall be reimbursed to the Participating Governmental Agencies in equal shares.

E. Once the Ferry Service commences, if any of the funds paid to the City of St. Petersburg for the Ferry Service are not expended pursuant to the License and Operating Agreement (e.g., early termination of the License and Operating Agreement or excess funds available at the end of the term of the License and Operating Agreement), the City of St. Petersburg shall reimburse the Participating Governmental Agencies equal shares of such unexpended funds.

F. If the vessel is docked at a Tampa owned or controlled facility, Tampa shall waive all docking fees for the Ferry Service.

5. REVENUE SHARING

A. Pursuant to the License and Operating Agreement, each ferry season the City of St. Petersburg shall receive fifty percent (50%) of all Revenues (as defined in the License and Operating Agreement) generated from the Ferry Service above four hundred thousand dollars (\$400,000). In the event that the City of St. Petersburg receives any Revenues from the Ferry Service, the Parties shall equally share such Revenues. Any Revenues due to the Participating Governmental Agencies shall be paid by the City of St. Petersburg to the Participating Governmental Agencies within thirty (30) days after the City of St. Petersburg's receipt of Revenues.

B. For season one of the Ferry Service, Revenues did not exceed four hundred thousand dollars (\$400,000) and the City of St. Petersburg does not expect Revenues to exceed four hundred thousand dollars (\$400,000) for season two and season three of the Ferry Service.

6. EFFECTIVE DATE AND TERM OF AGREEMENT

The City of St. Petersburg shall be responsible for filing this Agreement with the Clerk of the Circuit Court of Pinellas and Hillsborough Counties and this Agreement shall be effective on the date of the last filing.

The term of this Agreement shall commence on September 15, 2019, and shall terminate upon conclusion of season three of the Ferry Service, unless earlier terminated as provided for herein.

7. TERMINATION

If the City of St. Petersburg does not notify HMS by August 1, 2020, that the City of St. Petersburg desires for HMS to manage and operate the Ferry Service for season three, then this Agreement shall automatically terminate at midnight on August 2, 2020. The City of St. Petersburg shall notify the Participating Governmental Agencies upon such automatic termination.

8. AMENDMENTS

This Agreement may be modified or amended only by a document in writing executed by the Parties with the same formality of this Agreement.

9. GOVERNING LAW

The laws of the State of Florida shall govern this Agreement.

10. SEVERABILITY

The terms and conditions of this Agreement shall be deemed to be severable. Consequently, if any clause, term, or condition hereof shall be held to be illegal or void, such determination shall not affect the validity or legality of the remaining terms and conditions, and notwithstanding any such determination, this Agreement shall continue in full force and effect, unless the particular clause, term or condition held to be illegal or void renders the balance of the Agreement impossible to perform.

11. NOTICES

Unless and to the extent otherwise provided in this Agreement, all notices, demands, requests for approvals and other communications which are required to be given by one party to another shall be in writing and shall be deemed given and delivered on the date delivered in person, upon the expiration of five (5) days following the date mailed by registered or certified mail, postage prepaid, return receipt requested to the address provided below, or upon the date delivered by overnight courier (signature required) to the address provided below.

CITY OF ST. PETERSBURG

City of St. Petersburg
175 Fifth Street North
St. Petersburg, FL 33701
Attn: Rick Kriseman, Mayor

PINELLAS COUNTY

Pinellas County
315 Court Street
Clearwater, Florida 33756
Attn: Barry A. Burton,
County Administrator

CITY OF TAMPA

City of Tampa
306 E. Jackson Street, 2N
Tampa, Florida 33602
Attn: Bob McDonough,
Administrator of Economic Opportunity

HILLSBOROUGH COUNTY

Hillsborough County
601 E. Kennedy Blvd., 26th Floor
Tampa, Florida 33602
Attn: Michael S. Merrill,
County Administrator

12. ENTIRE AGREEMENT

This Agreement reflects the full and complete agreement between the Parties regarding the subject matter contained herein and supersedes all prior or contemporaneous agreements (whether oral or written) between them regarding the subject matter contained herein.

13. SURVIVAL

All obligations and rights of any party arising during or attributable to the period prior to expiration or earlier termination of this Agreement shall survive such expiration or earlier termination.

14. EXECUTION

This Agreement may be signed in counterparts by the Parties hereto.

15. NON-APPROPRIATION

A. In the event sufficient budgeted funds are not appropriated for a new fiscal period of a particular Participating Governmental Agency, the affected Participating Governmental Agency shall notify the City of St. Petersburg of such an occurrence and this Agreement shall terminate as to the affected Participating Governmental Agency on the last day of the current fiscal year without penalty or expense to the affected Participating Governmental Agency.

B. The obligations of the City of St. Petersburg as to any funding required pursuant to this Agreement and for the Ferry Service shall be limited to an obligation in any given year to budget, appropriate and pay from legally available funds, after monies for essential city services have been budgeted and appropriated, sufficient monies for the funding that is required during that year. Notwithstanding the foregoing, the City of St. Petersburg shall not be prohibited from pledging any legally available non-ad valorem revenues for any obligations heretofore or hereafter incurred, which pledge shall be prior and superior to any obligation of the City of St. Petersburg pursuant to this Agreement and for the Ferry Service.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

CITY OF ST. PETERSBURG, FLORIDA

ATTEST

By: _____
Rick Kriseman, as its Mayor

City Clerk

(SEAL)

Approved as to Form and Content

City Attorney (Designee) 00463763

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

PINELLAS COUNTY, FLORIDA

ATTEST

By: _____
Karen Seel, Chairwoman,
Pinellas County Board of County Commissioners

APPROVED AS TO FORM:

Office of the County Attorney

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

HILLSBOROUGH COUNTY, FLORIDA

ATTEST

By: _____
Lesley "Les" Miller, Jr., Chairman,
Hillsborough County Board of County Commissioners

APPROVED AS TO FORM:

Office of the County Attorney

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above.

CITY OF TAMPA, FLORIDA

ATTEST

By: _____
Jane Castor, as its Mayor

APPROVED AS TO FORM:

Office of the City Attorney

