Request for Proposals:

**Water Taxi Operators**

Proposal Submission Deadline: 12:00 PM on April 1, 2016

Should you have any questions, please contact Liz Price at lprice@wharfdc.com. Questions must be submitted by March 4th, 2016. Responses to all questions will be shared with all interested parties. Please register with Ms. Price if you wish to receive the consolidated questions and answers.
I. The Wharf

The Wharf is a $2 billion, world-class, mixed-use waterfront community being developed in Washington, DC by Hoffman-Madison Waterfront. The development area stretches across 24 acres of land and more than 50 acres of water, from the historic Municipal Fish Market to Fort McNair, on an almost mile-long stretch along the Washington Channel. The Wharf is being transformed into one of the most exciting urban waterfront environments in the world, featuring 3.2 million square feet of new residential, office, hotel, retail, cultural, marina, and public uses including waterfront parks, promenades, piers and docks.

Phase 1 will deliver by October 2017 and will include:
- Three new hotels (luxury, boutique and extended stay): 690 rooms
- 450,000 sf office
- 651 apartments
- 220 condo units
- Wharf Hall, a 149,000 sf concert venue operated by the owners of the 9:30 Club
- Retail: 181,000 sf
- 3.5 acre neighborhood park
- Four new public piers and a waterfront promenade

Attachment 1 includes a site plan of proposed development. For more information on the project visit www.wharfdc.com.

II. Scope of Services

Hoffman-Madison Waterfront (“HMW”) seeks a firm (“Operator”) to operate a water taxi service from Transit Pier at the Wharf beginning by July 4th, 2017. The primary goal of the service is to drive visitor traffic to the Wharf and its many shops, restaurants and events while creating a unique transportation amenity that connects the Wharf to other local and regional waterfront destinations.

The Operator will supply fully licensed, sea-worthy boats and all licensed crew and administrative personnel needed to operate the service. HMW will offer the Operator a five (5) year license to operate the service with an option for a five (5) year extension, subject to prior termination if performance standards are not maintained.

Routes and Service: A 2009 study by the Northern Virginia Regional Commission (“Market Analysis for Commuter Ferry Service on the Occoquan, Potomac & Anacostia Rivers”) found a strong demand for water taxi service connecting several DC waterfronts, including the Wharf, with nearby Virginia and Maryland locations. (See www.novaregion.org for full report). The Operator should provide regular service to waterfront facilities at the following locations:

- The Wharf
- National Harbor/MGM
- Alexandria
- Georgetown
- Nationals Stadium
- Additional facilities (National Airport, Kennedy Center, National Mall, DC United soccer stadium) as they become available.

If feasible, the Operator should provide multiple levels of service, including a defined route that makes frequent stops at regular intervals as well as point to point service to high demand destinations, like National Harbor/MGM and baseball games at Nationals Park, and possibly on call service.

The schedule and hours of operation of the water taxi service will be subject to discussion and negotiation, but the Operator should plan on providing service seven days a week. Although HMW recognizes that weather may limit year-round service, Operator should provide service from at least March through November, weather permitting. Operator should plan for a higher volume of service during peak periods: National Cherry Blossom Festival, Memorial Day, July 4th and other weekends when major events will draw people to the Wharf and other waterfront destinations.

**Facilities:** The Wharf’s Market Day Docks have dockage space available for lease to the Operator for multiple large vessels that may be based at the Wharf. Dockside services include power and water hookups and a pump out facility. In addition, water taxis will be able to load and unload passengers onto a floating dock that is connected by gangways to Transit Pier. Other private boats and charter services may pick up or drop off at Transit Pier with approval from the Dockmaster. District Pier will host sail ships and other unique vessels and regular festivals and events. (See Wharf Marine Plan and detailed Market Day Docks and Transit Pier plan in Attachments 2 and 3.)

Limited retail and office space may be leased from HMW at market rates for ticket sales and administration. (See ground floor retail space plan of Jetty Terminal Building in Attachment 4. Office space may be available in landside buildings at the Wharf.) Transit Pier will include a diverse array of outdoor seating options (some covered) for passengers waiting for the taxi. In addition, numerous cafes and restaurants will line Wharf Street facing Transit Pier where passengers can relax and eat while waiting for the taxi to arrive. Storage space is extremely limited and should be accommodated outside of the Wharf to the extent possible. The Operator will not have dedicated parking but its staff may lease monthly parking spaces and customers may access any of the 700 public underground spaces in Phase 1 with additional spaces delivering in 2021.

**Vessel:** The Operator will be responsible for owning, operating and maintaining the vessel(s). HMW will have the right to review and approve the design of any vessels to be used at the Wharf. The vessel should be designed to navigate the no-wake zone of the Washington Channel as efficiently and swiftly as possible. HMW is also interested in having attractive and distinctive vessels that will draw attention to the service and encourage people to explore the city by water.

**Fares:** The fee structure proposed by the Operator shall be subject to HMW approval. HMW wants to encourage water taxi usage and would expect the fare structure to make the service accessible to a wide audience.

**Ticketing:** Operator will be responsible for all ticket sales and for keeping accurate records of all sales and number of passengers and providing HMW access to such records. HMW would expect the
Operator to have or develop a robust online and/or mobile app ticket sales capacity and minimize the reliance on ticket booth sales.

**Marketing:** Water taxi service in Washington DC is still relatively limited. As a result, marketing of this service will be extremely important to its future success. The Operator will be responsible for planning and executing a branding and marketing campaign for the water taxi service, with input and approval from HMW. The Operator should have or develop partnerships with event, entertainment and tourism providers to promote the service. In addition, the Operator should plan to include GPS transponders on all boats that allow real-time mapping of their locations that may be featured on various online applications and displayed at The Wharf and in other locations. HMW will also promote the water taxi service within its Wharf marketing efforts.

**Compliance:** The Operator will need to comply with all environmental (i.e., District Department of Environment, U.S. Army Corp of Engineers) regulations as well as U.S. Coast Guard and local Harbormaster requirements including, but not limited to, vessel inspections. The Wharf has received the “Clean Marina” designation and the Operator must meet all Clean Marina standards. Documentation of all current registrations, licenses and safety inspections must be maintained and provided to HMW as requested.

**Insurance:** The Operator will be responsible for securing insurance, including liability, workman’s compensation, pollution and hull, with HMW and all relevant entities as named Insured. Coverage should include a minimum of $1M bodily injury and $5M aggregate.

**III. Selection Criteria**

The selection of the Operator will depend on submission of all requested material and a demonstration of the ability to operate and market a successful water taxi service by July 2017. Other factors include, but are not limited to: a sound business plan, commercially competitive business terms, financial capacity and safety record. Selection will be at HMW’s sole and absolute discretion.

**IV. Proposal Requirements**

Bidders should submit five (5) copies of the proposal and one digital copy to the Wharf Offices at 690 Water Street, SW Washington, DC by April 1, 2016 at 12:00 PM. The proposal should include, but not be limited to, the following information:

1. **Business Information**
   a. Contact information for Company including principal owner(s)
   b. Number of years in business
   c. Complete list of all operating locations
   d. **HMW is committed to awarding 35% of The Wharf project budget, adjusted, to DC Certified Businesses.** In this regard, please indicate whether your firm is a CBE and, if so,
please provide your certification number. If you are submitting a proposal as part of a joint venture between a CBE and non-CBE firm and/or plan to subcontract a portion of the work to a CBE, please separate the CBE proposal fee from the non-CBE proposal fee and provide the CBE number for the CBE firm. For more information contact the DC Office of Small and Local Business Development at 202-727-3900 or http://dslbd.dc.gov.

2. Experience

a. Describe company’s experience operating a water taxi service or related service. If the company does not currently operate a water taxi, explain in detail how it will expand operations into this area and acquire the necessary staff and internal capacity to operate such a service.

b. Specify all local marinas/public piers where the company currently has the right to operate (i.e., pick up and drop off passengers) that could be utilized by water taxis based at the Wharf. Please provide documentation confirming such access and specify any expiration dates for such access.

c. If the company is in negotiation with other landing sites, please list such locations and the timeframe for decisions/access.

3. Business Plan for Water Taxi Service

Proposal should provide a detailed business plan, including:

a. Service and Schedule

i. Proposed service and routes (i.e., continuous loop, multiple point-to-point routes, on demand) including estimated travel time between destinations.

ii. Proposed service schedule for weekdays and weekends for year 1 including hours of operation and anticipated changes in service in later years.

iii. Any other tours/services proposed to operate out of Transit Pier.

iv. Discussion of any onboard amenities and programming: snacks, drinks, local narration, etc.

b. Vessel

i. Number and size of boats proposed to meet this level of service.

ii. Describe the type of boat proposed and provide photos of prototypes.

iii. If existing boats are to be used, provide most recent vessel survey.

c. Fares/Revenues

i. Proposed fare structure, e.g. child/adult tickets, day ticket/one-way/round trip/hop on-hop off.
ii. Expected ridership figures Year 1 – 5. Provide copies of any market analysis conducted to estimate ridership figures.

iii. Means of collecting fares, especially any online or mobile applications planned.

iv. How on board advertising/sponsorships would be handled.

v. Estimated revenue by revenue type (taxi fares, non taxi tours/charters, advertising, merchandise sale, etc.) for the first five years.

d. Expenses

i. Staffing assumptions by position

ii. Estimate of all operating expenses

iii. Lease/fee arrangements with HMW: Propose a schedule of dockage and other fees (surcharges, percentage rent, license fee, etc.) for use of maritime facilities at the Wharf and the water taxi service opportunity for the first five years.

iv. Provide a table listing dockage rates and other charges (percentage rent, passenger fees, surcharges, etc.) that Operator currently pays at other facilities for similar services and total annual payment to such facilities for the last three years.

e. Marketing and promotion plans

Marketing will be critical to the success of the water taxi service. Describe in detail promotion plans for the new service, including partnerships, co-branding with other tourism/event/transit companies. Identify ways Operator, in partnership with HMW, might promote the new service and encourage ridership particularly in the first season.

f. Schedule

List key milestones from contract award to service opening in July 2017, including any permits or government agency approvals needed to initiate service at the Wharf.

4. Personnel

Applicants must provide:

a. Names, experience and qualifications of key staff. Captains and all associated licenses should be listed.

b. Customer service: Water taxi rides should be fun. Operator should have extensive customer service experience and have training in place to ensure all staff are positive ambassadors of the service. Describe your customer service experience, training and success and how the water taxi service fits or expands your current customer service approach.

c. Community Engagement: HMW expects the Operator to work with local non profits to identify local residents who may be interested in training for future jobs with the water
taxi. HMW envisions the Operator developing an apprenticeship program that can groom young people for these jobs. In addition, HMW will also operate a free water shuttle from 7th Street Pier to a day dock at East Potomac Park and ideally will identify future staff for this service from Water Taxi trainees.

The Operator should elaborate on its experience working with local community hiring efforts and its willingness to support this objective at the Wharf. Please outline your approach to such training.

5. Operational Issues
   a. Maritime Facilities: Specify all maritime facilities needed at the Wharf, including:
      i. Number of boats to be permanently docked at the Wharf and the amount of linear dockage needed and specific services required (electric capacity, pump out, security needs, etc.).
      ii. Amount of linear dockage needed for pick up/drop off of passengers and any dock side services needed. What is the orientation of passenger loading – rear, side, etc.?
      iii. Storage needs
      vi. Where will vessels be serviced?
   b. Land side facilities: Specify amount of square footage needed for ticket sales and administrative space and break out by type of space (office vs retail).
   c. Life/Safety
      i. Provide information about how on-board emergencies (medical and non-medical) will be handled. Describe life / safety features of the boat and training of the crew to ensure the safety of all passengers.
      ii. Provide contingency plan should weather, mechanical or other issues render a boat inoperable, e.g., how to handle stranded patrons.
      iii. Provide documentation of your alcohol policies and procedures if you are planning to serve alcohol on board, as well as procedures for dealing with intoxicated passengers (who may have consumed on board or elsewhere).
      iv. Provide detailed accounts of any accidents, lawsuits, insurance claims or other losses relating to its vessel operations that Operator has experienced.

6. Financials
   a. Identify the Operator and the Guarantor (if different) and provide audited financial statements, or statements certified by the principals, for the prior two years from both entities.
b. Capital investment: What level of investment is expected to get the water taxi service up and running (e.g., boat purchases)? Specify source of funds and/or financing.

c. Identify any potential local/federal sources or foundation grants that may be used to support elements of the service.

7. References

Operator should provide contact information for three (3) references for whom the Operator has provided similar services as contemplated in this RFP.

V. Schedule

- RFP Issued: Friday, February 12, 2016
- Bidder’s Meeting: Wednesday, February 24, 2016 10 AM
  690 Water Street, SW, Washington, DC
- Proposals Due: Friday, April 1, 2016 at 12:00 PM
- Interviews if requested: Week of April 18, 2016

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Attachments

1. Wharf Development Plan
2. Wharf Marine Plan
3. Market Day Dock and Transit Pier Plan
4. Jetty Terminal Building Ground Floor Plan