



REQUEST FOR PROPOSALS (RFP)

Chesapeake Bay Passenger Ferry

Feasibility Study, Cost-Benefit and
Economic Impact Analyses

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by 11:59 PM

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I. Introduction and Background

The Annapolis & Anne Arundel County Conference & Visitors Bureau Inc., doing business as Visit Annapolis & Anne Arundel County (VAAAC), is a private, nonprofit 501(c)6 organization with a mission to support the geographic region as a destination marketing organization through tourism marketing and economic development. The state of Maryland has 25 tourism/destination organizations, and five have joined together for the EDA Planning and Local Technical Assistance grant, or the first phase of the project: the Chesapeake Bay Passenger Ferry Feasibility Study.

The Chesapeake Bay Passenger Ferry Feasibility Study “consortium” consists of Annapolis and Anne Arundel County, Calvert County, Somerset County, St. Mary’s County, and Queen Anne’s County.

This initiative seeks to establish a sustainable passenger ferry service connecting key destinations along the Chesapeake Bay in Maryland, including Annapolis, Galesville, Chesapeake Beach, Solomons, St. Mary’s City, Leonardtown, Crisfield, Cambridge, St. Michaels, Easton, Kent Narrows, Rock Hall, Chestertown, Chesapeake City, North East, Havre de Grace, and Baltimore.

The Chesapeake Bay, the largest estuary in the United States, has been the backbone of our region since prehistoric times. The Bay is located in the Mid-Atlantic region and is primarily separated from the Atlantic Ocean by the Delmarva Peninsula (including the parts: the Eastern Shore of Maryland / Eastern Shore of Virginia and the state of Delaware) with its mouth of the Bay at the south end located between Cape Henry and Cape Charles. With its northern portion in Maryland and the southern part in Virginia, the Chesapeake Bay is an important feature for the ecology and economy of the region.

The Bay has served as a transportation and trade highway and byway for as long as the historic and prehistoric record can be documented. Beginning in the 16th century European explorers began visiting and mapping the area. In the early 17th century Europeans began settling the region, made most famous by Captain John Smith, exploration member of the Jamestown colony in Virginia. Smith wrote in his journal: "Heaven and earth have never agreed better to frame a place for man's habitation." The region became a destination for mass migration over several centuries. Smith’s role in the mapping and colonization of the Chesapeake Bay region was memorialized in 2006 when the National Park Service "Captain John Smith Chesapeake National Historic Trail," the United States' first designated "all-water" National Historic Trail, following the route of Smith's historic 17th-century voyage was named.

The Chesapeake Bay forms a link in the Intracoastal Waterway, of the bays, sounds and inlets between the off-shore barrier islands and the coastal mainland along the Atlantic coast connecting the Chesapeake and Delaware Canal (linking the Bay to the north and the Delaware River) with the Albemarle and Chesapeake Canal (linking the Bay, to the south, via the Elizabeth River, by the cities of Norfolk and Portsmouth to the Albemarle Sound and Pamlico Sound in North Carolina and further to the Sea Islands of Georgia). A busy shipping channel (dredged by the U.S. Army Corps of Engineers since the 1850s) runs the length of the Bay, is an important transit route for large vessels entering or leaving the Port

of Baltimore, and further north through the Chesapeake and Delaware Canal to the ports of Wilmington and Philadelphia on the Delaware River.

During the latter half of the 19th century and the first half of the 20th century, the Bay was plied by passenger steamships and packet boat lines (medium-sized boats designed for domestic mail, passenger, and freight transportation) connecting the various cities and towns on it. City dwellers boarded steam powered ferries bound for cooler environs and resort communities that built up around the Bay in the 19th and early 20th centuries. They traveled to destinations like Love Point, Betterton, and Tolchester on Maryland's Eastern Shore that catered to hospitality and amusement. Destinations along the bay built large hotels and amusements to entertain visitors. The ferry system connected communities throughout the Chesapeake Bay region through a wide-ranging network of routes. Ferries were the only access to either side of the bay in Maryland until the construction of the William S. Preston Lane Bridge, completed its first span in 1952 and a later span in 1973.

The construction of the Bay Bridge forever transformed the way that people traveled and experienced the Eastern Shore of Maryland. The shift from ferry transportation to vehicular transportation to "shore" destinations saw the decline of the Chesapeake Bay resort destinations in favor of ocean destinations. It also impacted the use of railroad for transportation to and through these small communities, and saw the rise of roadside motels, seafood restaurants and fueling stations to serve travelers. Towns and villages that had developed over many centuries based around water transportation began to decline, and now many travelers skipped over those small towns, which were in the 1950s often bypassed by new highway systems built to move travelers by car as quickly as possible through the region and to the ocean.

The Chesapeake Bay is known for its seafood production, especially blue crabs, clams, and oysters. In the middle of the 20th century, the Bay supported 9,000 full-time watermen. Today, the body of water is less productive than it was previously because of runoff from urban areas and farms, over-harvesting, and invasion of foreign species, among other environmental and economic factors. This has put additional pressure on other industries supporting the region as well as trying to fuel projects that support a transition for local watermen into other harvesting or marine oriented industries.

While the economy of both the western shore and eastern shore of Maryland have been heavily shaped around seafood and agriculture, it has also been heavily shaped by an increasing market and industry around tourism. The Chesapeake Bay is a main feature for tourists who visit Maryland and Virginia annually. Fishing, crabbing, swimming, boating, kayaking, paddleboarding, and sailing are popular activities enjoyed on the waters of the Chesapeake Bay and its tributaries. As a result, tourism has a notable impact on Maryland's economy. In 2021, even with COVID-19 still impacting visitor travel, Maryland saw 35.2 million visitors enter the state and spend \$16.4 billion dollars. Recovering from the pandemic, tourism's total impact of \$26.4 billion to state businesses along with support of 173,700 jobs, was an important piece of the state economy in 2021. (Source: Economic Impact of Tourism in Maryland 2021).

Although the Chesapeake Bay is a main attraction for visitors because of its unique recreational, culinary, and cultural characteristics, access and experiences on the water are exclusive or significantly limited among the traveling public. The typical visitor will

experience the Chesapeake Bay by driving over the William Preston Lane Memorial Bridge or may book a small cruise tour from Annapolis or St. Michaels. One operator in Dorchester County schedules paddle boat cruises that include dinner and entertainment. But significant travel by water, unless operating a personal boat, is currently missing from the Chesapeake Bay experience.

A passenger ferry would build a greater connection to the Chesapeake Bay ecologically and to its communities allowing more people to access the waterway by residents and visitors alike. Travel by passenger ferry in contrast to travel by vehicle impacts how we see the Bay, its industries, its cultural and recreational connections. This initiative is not envisioned as a replacement for vehicular travel, rather a compliment or an alternative way of travel. The initiative would put a greater emphasis on “slow” travel and experiential travel, an approach to travel that emphasizes connection to local people, cultures, food, and music. It relies on the concept that a trip is meant to be the experience, and the journey is the time to educate and provide meaning and sense of place.

Establishing a passenger ferry service on the Chesapeake Bay will also bring the region in line with other water-oriented regions that currently support ferry service like the Pacific Northwest; the Delaware Bay; New York, NY; Outer Banks, NC; Block Island, RI; Alaska, and many more nationally and internationally. In the tourism industry, many travelers will base their itineraries off the availability of these services and access to the water. A local example is the ferry service between Oxford and Bellevue, MD. The service has become an important asset in the local tourism program and travelers will seek out a route that utilizes the ferry service just so they can cross the Miles River via ferry.

With the current tourism assets existing or in development, the addition of a ferry transportation element will help connect many access points or “dots” and opportunities in the region. The National Park Service and Maryland State Park Service have invested millions over the last decade in the Harriet Tubman Underground Railroad Byway and in 2017 opened a State Park and Visitor Center. Plans for a park recognizing and memorialized Frederick Douglass were recently announced. In the spring of 2021, the America’s Byways program designated the Chesapeake Country Scenic Byway network as an “All-American Road” on par with Route 66, Blue Ridge Parkway, and the Pacific Coast Highway. The Chesapeake Bay is recognized internationally for its unique cultural and recreational assets and experiences, with characteristics unique to this place. It carries with it strong marketability to travelers domestically and internationally.

A passenger ferry system not only is a plus for the Chesapeake Bay region, but for local economies bringing in more customers and attracting new business and industry as well as increasing opportunities for a new and skilled workforce. Further, local residents would have access to the water in a new and economical option.

It is the goal of this project to explore the feasibility and the economic impact of a passenger ferry system.

II. Area Description

The area the feasibility study is to examine is a sustainable passenger ferry service connecting key destinations in the Maryland section of the Chesapeake Bay.

Primary locations include: Annapolis, Galesville, Chesapeake Beach, St. Mary's City, Leonardtown, Crisfield, Matapeake, Kent Narrows, and Baltimore.

Secondary locations include: Solomons, Cambridge, St. Michaels, Easton, Rock Hall, Chestertown, Chesapeake City, North East, Havre de Grace.

III. Specific Deliverables

The Chesapeake Bay Passenger Ferry Feasibility Study via EDA Planning and Local Technical Assistance grant will have two distinct deliverables, with details outlined below:

1. Financial and operational viability and;
2. Cost benefit and economic impact analysis. As much as feasible, the deliverables will be worked concurrently to maximize effort and minimize expense.

1. Financial and Operational Viability

The financial and operational viability portion of the work will evaluate provided potential ferry terminal locations for estimates on capital or infrastructure construction or builds, operation, and maintenance costs of locations. Further, the review will examine any in-water issues and access, and all transit connections, including first and last mile connections. Interviews with stakeholders to ascertain pros and cons of the project; 15-20 stakeholders provided by the consortium. A key objective of this effort will be to benchmark existing studies and passenger ferry operations, identify near-term and long-term routes, assess competition and ease of use factors, estimate capital and deliver a pro forma operating budget including the type and number of vessels and optimization of both routes and schedules. Identification of 3-5 viable public and private partners. Identification of governance or management requirements and options.

Specific deliverables related to the financial and operational viability of the ferry will include:

- Minimum terminal landing requirements
- Recommendations for potential routes
- Ferry route distances and times
- Waterway restrictions and considerations (i.e. depth, boat traffic, regulations)
- Vessel requirements
- Evaluate land use and development necessary at potential ferry dock sites

- Evaluation of the potential routes and delineation of first and second tier ferry routes and access points
- A ranked score for each ferry route, as determined by the consultant and consortium

2. Cost Benefit and Economic Impact Analysis

The cost benefit and economic impact analyses will consider both economic and social impacts. The cost benefit analysis will provide benchmarking on the cost and revenue structure, review the public good and regional value add of a passenger ferry system in the region as it relates to livability, attracting tourism as well as the environmental implications and access to the water. Additionally, the cost benefit analysis will broadly define the market and potential users of the ferry system and survey those potential users to gain a detailed understanding of preferences, competitive advantages and barriers as well as to determine a true demand across the geographic region in order to build the system and pricing. The economic impact aspect of the work will evaluate the estimated return on investment, identify potential impact on jobs in the region to include types of jobs, income/pay, land value, and potential tax revenue. Finally, the economic impact of not pursuing the work will be explored to share lost opportunity and potential future projects through the research.

Review of the market will include the following deliverables:

- Ridership estimates and identification of potential users
- Estimates of set up costs, operations, maintenance
- Estimate annual revenue; proposed fare structure
- Identify variables that may impact ridership
- Projections of jobs and skill sets needed to service the ferry system
- Additional opportunities related to recreation and tourism-related industries
- Identify potential funding sources
- Identify potential public partners

Both portions of the work—the financial and operational viability and the cost benefit and economic impact analyses—will be presented to, at least, members of the consortium in both a written and an in-person presentation, if viable at the time of project completion and dependent on COVID protocols. The final report would also include recommendations for next steps and key activities should both portions of the feasibility/technical assistance aspects of the work prove viable.

IV. Proposed Time Schedule

The following timelines are shared for planning purposes and will be further fine tuned with the contract award. Days are business days, and do not include federal government observed holidays.

Day 1: RFP for proposal released.

Through Day 25: Letter of Intent, question period.

Day 30: Proposals Due

Day 31-39: Analysis of final proposals, interviews, and reference checks.

Day 40: Contract awarded

Day 45: Kick off meeting with consortium

- Establish 30 minute bi-weekly meetings with the consortium, Thursdays at 2:00 PM.
- Monthly report due the last business day of the month
- Schedule of report drafts and review by the consortium
- Project schedule

Day 46: Discovery and background work on financial and operational viability begins. Milestones during financial and operational viability include:

- Establishing evaluation criteria
- Confirming ferry sites to be reviewed
- Stakeholder interviews

Day 110: Discovery and background work on cost benefit and economic impact analyses begins. Milestones for cost benefit and economic impact include:

- Potential public partner interviews
- Peer ferry system benchmarks and comparisons
- Site visits, evaluation, and mapping
- Financial models and staffing models review and estimates

Day 140: Work reviewed and finalized. Milestones for review portion include:

- Comparable systems presented against research and estimates
- Funding options for startup, on-going systems
- Proposed routes, schedule optimization, fares, and order of implementation
- Recommendations for funding to include analysis of sponsors, subsidies, partnerships
- Governance and management options

Day 160: Written report due. Report will include (both PDF and Excel formats) :

- A demand study report
- Financial and operational feasibility report
- Cost benefit and economic impact analysis
- Pro forma operating budget
- Project timeline estimates and next steps

Day 170: Presentation of outcomes

V. Letter of Intent to Respond

Consultant teams interested in, or intending to respond to, the RFP are encouraged to submit a Letter of Intent to Respond by the specified deadline listed in Section VII, via email. The Letter of Intent to Respond will help ensure receipt of any RFP amendments and other communications regarding the RFP, such as the response to questions. The Letter of Intent to Respond does not bind consultant teams to submitting a proposal. Additionally, consultant teams who do not submit a Letter of Intent to Respond will not be barred from submitting proposals. The Letter of Intent to Respond should be emailed to Shannon Harcum, Director of Finance and Administration, at sharcum@visitannapolis.org. In the letter, please include the name, title, and contact information for the firm's main point of contact.

VI. Content of the Proposal

1. Page Limit:

The entire proposal, including attachments, should not exceed 20 pages.

2. Firm or Person Introduction:

Include information such as form of organization, length of time in business, office location(s), number of staff and a general summary of qualifications documenting the strengths of the firm or person, areas of expertise and licensing. Include name, email address and phone number for the firm's contact person. The proposal must also include any subconsultants proposed to complete the project. The following items related to experience, staffing, and references under "Content of the Proposal" must also be completed for all subconsultants proposed for the project.

3. Relevant Experience:

Identify projects completed or underway similar in nature and scope to those outlined in the study. Provide a listing of related work undertaken or completed in the past five (5) years, in an easily comprehensible format. The listings must include:

- a. Project name, location and description (describe relevance to this project).

- b. Original contract value and final cost; and
- c. Role of the project manager in the effort.

4. Key Staff:

Identify the individual proposed as the project manager, and the relevant experience and role of that individual. Include resumes of key staff expected to participate.

5. Methodology and Management Approach:

Provide a thorough explanation of the approach planned for the project, including:

- a. How to manage and facilitate community meetings and preparation of staff reports and other written outreach material.
- b. Suggested delineation of tasks for which the consultant is responsible and those for which the consortium will have primary responsibility.
- c. Coordination with consortium and agency partners for outreach and review of recommendations.

6. Budget and Schedule:

- a. Outline an anticipated budget for the project, by task, including all staffing costs, as well as expenses and assumptions. The budget should assume outreach strategies as well as sufficient meeting time to coordinate adequately with staff; costs per meeting for additional meetings (if necessary); costs for any suggested optional tasks.
- b. Include an hourly labor rate schedule per position for the consultant team and/or subconsultants; and
- c. Depict a schedule for the proposal to identify the overall timeline for the project, including key milestones and deliverables.

7. Client References:

List a minimum of three relevant client references for the firm and the proposed project manager.

8. Insurance:

Provide evidence of insurability and liability limits.

9. Comments or Requested Changes to the Contract:

The proposing person or firm shall identify any objections and/or requested change.

VII. Submittal and Review Process

1. Deadlines:

- a. Letter of Intent to Respond: February 6, 2023 by 5:00 PM. Please refer to Section V. Letter of Intent to Respond for more information.

- b. Questions and Inquiries: February 6, 2023 by 5:00 PM
- c. Proposal Submittal: February 15, 2023, by 11:59 PM. Late submittals will not be accepted.

2. Send Proposal Submittal to:

Electronically by February 15, 2023, by 11:59 PM to:

Shannon Harcum, sharcum@visitannapolis.org with Subject Line: Proposal for Chesapeake Bay Ferry Study

Or Deliver by February 15, 2023 by 5:00 PM to:

Proposal for Chesapeake Bay Ferry Study
Attn: Shannon Harcum
Visit Annapolis & Anne Arundel County
26 West Street, Annapolis, MD 21401

3. Applicant Questions and Inquiries:

Direct all questions regarding the RFP to Shannon Harcum, Director of Finance and Administration at sharcum@visitannapolis.org, before the date Described in Section VII Section 1 (February 6, 2023 by 5:00 PM). All efforts will be made to respond to email questions, with copies of responses to all consultants. Questions should clearly identify the relevant section and / or task of the RFP related to the question being asked.

Telephone requests for information or inquiries will be allowed only if the nature of the request or inquiry does not lend itself to formulation into a written question. Verbal inquiries, however, are discouraged and calling parties may be requested to submit written questions in lieu of receiving a verbal response. The intent behind this requirement is to ensure that the same information is available to all consultant teams, and no inconsistent, incomplete, or misinformation is communicated to any consultant team. VAAAC and/or the consortium is not responsible for delayed or lost email, regardless of the cause.

4. Resources Available Once Contract Awarded:

- a. List of potential terminal sites
- b. List of 15-20 stakeholders to interview
- c. Population and visitation numbers for each key destination
- d. Tourism Economics *Impact of Tourism in Maryland - 2021* Report
- e. Maryland Office of Tourism and National Park Service Chesapeake Bay Visitor Study, due to be released January 2023
- f. Maryland Department of Transportation Maryland Transportation Authority *A Report to the Maryland General Assembly Senate Budget & Taxation Committee & HOUse Appropriations Committee regarding Publicly Operated Ferry Service for the Chesapeake Bay Crossings*, January 2020

g. Maryland Department of Natural Resources Maryland Public Water Access Map

5. **Refusal:**

VAAAC reserves the right to accept or reject any or all proposals, or to alter the selection process in any lawful way, to postpone the selection process for its own convenience at any time, and to waive any non-substantive defects in this RFP or the proposals.

6. **Other Firms:**

VAAAC reserves the right to negotiate with other qualified persons or firms, or to solicit additional statements of qualifications at any point in the project should it fail to negotiate a reasonable fee with the initially selected person or firm or should that firm fail to execute the Agreement.

VIII. Selection Criteria

The successful firm will be selected on the basis of professional qualifications and demonstrated competence. Particular attention will be paid to:

1. Qualifications, organization / team structure, performance, and availability of proposed project managers.
2. Relevant experience in financial feasibility studies, cost-benefit and economic analysis, and community engagement. Where applicable, desirable firms will have experience with evaluating and conducting plans for ferry service and terminal construction or experience with the development of cost-benefit grants and indicate whether that effort was successful in securing a grant.
3. Proposed approach and project understanding.
4. Proposed schedule and amount of time (described in hours) spent on each task. Identification of practices to meet consultant team timelines. Ability to meet schedule, coordinate activities with multiple parties, work closely and collaboratively with staff, and perform within budget and schedule limitations must be shown.
5. Solid management practices and method of communicating to and updating VAAAC and/or the consortium. VAAAC and/or the consortium may investigate qualifications of all consultant teams to whom the award is contemplated and may request clarifications of proposals directly from one or more consultants.

VAAAC reserves the right, at its sole discretion, to request clarifications of proposals or to conduct discussions for the purpose of clarification with any or all firms. The purpose of any such discussion shall be to ensure full understanding of the proposal. Discussions shall be limited to specific sections of the proposal identified and, shall be after initial evaluation of

proposals are complete. If clarifications are made as a result of such discussion, the consultant team shall put such clarifications in writing.

In the event the consortium chooses to conduct interviews as part of the selection process, selected consultant teams will be allowed sixty (60) minutes to present their proposal, experience, and ability to perform duties. Following the presentation there may be an informal question and answer discussion of no longer than thirty (30) minutes. At the conclusion of the evaluation, the consortium will enter into contract negotiations with the top consultant team(s). The selection process will be completed when a contract(s) is executed. Furthermore, the consortium reserves the right to reject any or all proposals and to waive any and all irregularities to choose the firm(s) which, in the consortium's opinion, best serve(s) the consortium's interests.