



NVRC FAST FERRY PASSENGER SERVICE

Date: September 19, 2021

Subject: Steering Committee Meeting #4 (virtual meeting)

AGENDA

- Introductions
- Financial Model
- Routes & Operating Plan
- Governance Recommendation
- Next Steps

INTRODUCTION

MEETING FORMAT

The meeting was held entirely virtual. The meeting was kicked off with introductions and updates on how the current and future meeting would be conducted.

FINANCIAL MODEL

- All the inputs from the project have been added to the model. It's essentially a spreadsheet/excel that will help design and enable team to estimate total cost of project with a variety of assumptions. And in the same vein will allow people using the model to communicate with potential partners: with developers/operators/partners.
- Dynamics are variables that our team discussed internally and also with the group; can be adjusted pretty quickly based on continuing conversations. Includes number of vessels, vessel cost/passenger capacity.
- Ms.Tadej's question: do these assumptions include one for an electric model? Answer: At this point there is no parallel to draw a fuel or energy cost for a non-conventionally powered vessel. We put everything in the model based on conventional power but if we got a good estimate for a zero emission vessel we could modify capital and energy cost to reflect that.
- Depending on public or private financing, the model can also adjust the information. Especially if there are other types of loans used in order to adjust loan rates, etc.

- Ms. Tadej's question about if the estimate assume federal transportation cost subsidies? Answer: Currently no, as we do not know the exact percent of potential riders that would have that subsidy vs. not.
- Mr. Hamed's question: Can we customize this model for parameters that were not included, like other vessel types or destinations? Answer: model could be expanded down the road with added variables.
- Mr. Berger's question: Did you incorporate the average weight of capital (WAC) and how does it work with environment of inflation. Answer: Yes, they included a higher rate. And admit it was put together in a rising rate environment. If you find what is going to impact the estimated cost the most, it's the cap ex itself. WAC is a factor but not the main driving factor. It's the inputs that is going to drive this model. Mr. Payne mentioned that the team worked really hard to provide updates to vessel cost size but have seen over the last 3-4 years an extreme acceleration in the cost to build a vessel. Not sure where it would stop. This is why very often the public agency can help get the grants to cover the capital side and then the private can help cover the operating side. Seems to be the most effective model. On the shore side/terminal development side: there are a range of choices that go from relatively lower capital costs to higher costs depending on the choice and degree of development looks like. That's one of the things that really needs further design work. And more benthic surveying (depth of the shore/water) to do things like confirming amount of dredging, for example.

ROUTE PROFILES & MARKET SIZE

- Some limitations to our work. First, we did not have the ability to survey individuals into the market to understand if they qualify for the us government subsidy. Another thing we didn't do was assume additional transit support for the Poplar Point end to connect people to JBAB.
- Mr. King's question: Do we know how many passengers per day Hornblower is getting for either its Georgetown to Old Town or the Water Taxi from SW Waterfront to Old Town or National Harbor? Answer: don't know specifics, but generally 500-1000 per day.
- Ms. Tadej's questions: What is the travel time from SW Waterfront to Poplar Point? 16 mins, available on the slide in the upper left of the map.
- With 1 vessel crossing, you are required to have more time between vessels. When you have less than 1k people going from one destination to another, they fog the data to remove specifics.
- Charles County to JBAB – some variable information between streetlight and MWCOG about what this market looks like bc we have less than 1000 people.
- Typo on the Charles County maps - it's 38 knots not 28 knots.
- Woodbridge to JBAB - looked at primary market. The chosen terminal sites have the lowest amount of assumed investment needed at the terminals.

- Mr. Tadej's question: For Indian Head should the catchment area be larger and include going to Fort Belvoir? Answer: we could look at moving the terminal but wasn't what we just explored. Could in the future look at a terminal going to FB.
- Mr Rinaldi's question: Talking with an operator in NY area, the terminal costs presented seem very high compared to what they have developed. Parking structure would change everything. Also, there have been vessels that are not being utilized now up north that could be deployed to our region, substantially reducing the capital cost estimates. Answer: NY has had terminals in better repair. And past construction projects are now over 5 years old.
- Mr. Berger's question: Why did we switch from the location at Woodbridge. Should we shift it to the north end? Answer: The images show the terminal at the wrong location. Terminal costs include: illumination, have power on the pier, have railings, some form of shelter. And a float substantial enough to put an entire load of the vessel without stability problems.
- Ms. Tullar - JBAB Planner's question Would inclement weather stop boats that day? Would this run through the winter months? Answer: Situations when they cannot: if a major flood even washing heavy debris into the riverway. Would need to delay for a day or two of service. Ice and ice breakup is another situation. Ice usually forms in upper Potomac and breaks and floats down, gets caught up on the Wilson bridge. Like if too much ice flow activity. Also might not stop the operation altogether but slow it down.

GOVERNANCE MODEL

- DC water started in 1940s as new initiative to handle sewage outflow. Over time, different cities joined with dc in municipal service agreements. The government is actually regionally operating and benefitting but no congressional pact. Some specifics involving congress due to DC's special designation, but all carried out through municipal service agreements: DC Water and other local governments, & local governments with other ones.
- Because of financial limitations and complexities, we believe that's the type that is needed

NEXT STEPS

- There will be a final report and the financial model as final deliverables. The report can be a draft and then updated in the Phase 2 contracting of the project.

MEETING DETAILS

Meeting Attendees

Mark Rinaldi, Bush Corporation
Willem Polak, Maritime Consultant (briefed in advance)
Meagan Landis, Prince William County

Steering Committee Meeting #1 Notes
NVRC Passenger Ferry Business Case

Carla Longshore, DDOT
Fatemeh Allahdoust, VDOT
Thomas Hamed, City of Alexandria
Alyssa Tullar, JBAB Planner
Clinton Edwards, DRPT
George Kandathil, Tri County Council for Southern Maryland
Jeffrey King, MWCOG Director, Climate, Energy, and Air Program, Department of Environmental Programs
Mark Berger, Planning Section Chief 11 CES at JBAB
Bob Schneider, OmniRide

CONSULTANT TEAM

Tim Payne, Nelson\Nygaard
Emily Oaksford, Nelson\Nygaard
Mike Anderson, KPFF
Barnabas Hong, KPFF
Jeremy Ebie, Phoenix Infrastructure
Lucas Pizzutti, Phoenix Infrastructure

NVRC

Peggy Tadej, NVRC
Chris Landgraf, NVRC

Chat record

[1:19 PM] Bob Schneider - So, can you re-confirm how many vessel trips are in the AM for Woodbrodge? 3M / 250 weekdays = 12K trips per day, or 6K commuters.

[1:21 PM] Thomas Hamed - Can we customize this model for parameters that were not included, like other vessel types or destinations?

[1:22 PM] Mark Rinaldi - I was doing the same calc Bob. Was thinking that might not be a realistic number. But, nights, weekends, holidays, etc. will add some trips, which might charge a higher fare.

[1:22 PM] Bob Schneider - You'd need to have six trips per day with a vessel that carries 1K people, at full capacity every workday of the year. Now that you know that, you can see what's missing.

[1:34 PM] Bob Schneider - @mark -- I was just looking at it from a "optimal situation". Once we have that, then we start looking at what isn't realistic, which allows us to begin to understand what other resource levels are needed.

[1:36 PM] Jeffrey King - Do we know how many passengers per day Hornblower is getting for either its Georgetown to Old Town or the Water Taxi from SW Waterfront to Old Town or National Harbor?

[1:40 PM] Peggy Tadej - What is the travel time from SW Waterfront to Poplar Point?

Steering Committee Meeting #1 Notes
NVRC Passenger Ferry Business Case

[1:40 PM] Peggy Tadej - What is the travel time from SW Waterfront to Poplar Point?

[1:50 PM] Peggy Tadej - For Indian Head should the catchment area be larger and include going to Fort Belvoir?

[1:50 PM] Bob Schneider - I have a meeting at 2pm, so I'll be out at 1:55p

[1:54 PM] Peggy Tadej - Indian Head to Dalgren and Indian Head to Fort Belvoir

[2:03 PM] Mark Berger - How many inbound sailings would occur per day under the 2 and 3 vessel scenarios?

[2:04 PM] Mark Berger - Is 38 knots the top speed obtainable or could the boat go faster?

[2:04 PM] Mark Rinaldi - Talking with an operator in NY area, the terminal costs presented seem very high compared to what they have developed. Parking structure would change everything. Also, there have been vessels that are not being utilized now up north that could be deployed to our region, substantially reducing the capital cost estimates...

[2:07 PM] Mark Berger - Would heavy wind conditions slow the boat (white caps)?

[2:16 PM] Mark Berger - Will the Alexandria-JBAB route be studied as well?

[2:11 PM] Alyssa Tullar - JBAB Planner - Would inclement weather stop boats that day? Would this run through the winter months?

[2:16 PM] Mark Berger - Will the Alexandria-JBAB route be studied as well?

[2:22 PM] Peggy Tadej - Did you look at the cost to starting the governing body?

[2:26 PM] Mark Rinaldi - Aside from cost considerations, is it feasible to expect a private group to be able to navigate all the multi-jurisdictional permitting (local, state and federal) that will be involved? Can grants only be made available for a public group, or maybe a public-private group?

[2:29 PM] Mark Rinaldi - is there a first cut at listing the universe of possible groups that are not NVRC that could become a champion of this effort?