



TOWN OF SIDNEY

PRESS RELEASE

FOR IMMEDIATE RELEASE

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SIDNEY FERRY TERMINAL (OCEAN AVENUE)

An International Ferry Terminal has been operating out of Sidney for approximately 50 years under lease to Washington State Ferries. In 2002 the Federal Government transferred the facility and the prevailing lease to the Town. Subsequently the Town rebuilt the dock at a cost of \$4 million. The current value of the Terminal is estimated at \$10 million.

In 2003, Washington State Ferries was offered a long term lease but chose to be a month to month tenant. Since that date the run to Anacortes has been reduced from a daily service to a 9 month service with twice a day service only during summer peak periods. The Town determined that the facility was under utilized with minimal economic return. Even though small cruise ships have started to use the dock there is virtually no benefit to Sidney businesses.

Consequently in 2005 the Town issued a proposal call for lease of the Terminal with the hope of encouraging a long term lease; greater economic return to the Town and business community; ensuring the operations of the terminal are not directly managed by the Town; and that the service to Anacortes, Washington remains a priority. A number of proposals were received and Town Council selected the proposal submitted by British Columbia Ferry Services.

A lease has now been approved with BC Ferries with a proposed commencement date of September 4th, 2007. Acknowledging the importance of retaining the Sidney to Anacortes service, the lease provides a number of provisions specifically relating to Washington State Ferries:

- ◆ Washington State Ferries is recognized as a priority user
- ◆ Washington State Ferries will be offered a docking agreement based on its 2006 schedule and with accommodation for long term future utilization
- ◆ Washington State Ferries may have representation on the Community Liaison Committee as identified below

Benefits to the Town include:

- ◆ The lease is for a 40 year period with financial adjustments every 5 years
- ◆ BC Ferries will develop, in consultation with the Town, a Master Plan for future development
- ◆ Additional users will be promoted to enhance revenue and use of Sidney businesses
- ◆ A Reserve Fund will be established comprising basic rent and 80% of the profit which may be used to fund projects identified in the Master Plan.
- ◆ BC Ferries will be responsible for all liability and property insurance
- ◆ A Community Liaison Committee will be established to monitor Terminal operations.

In conclusion, the Town looks forward to a long term relationship with BC Ferries and the continued operation of the facility as an International Ferry Terminal, including use by Washington State Ferries.

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