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APR 022012

Commercial Ferry Application - 2009



TS-120446-AT

1300 S. Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

Phone: 360-664-1222 Fax: 360-586-1181 TTY: 360-586-8203

Page 7

1-800-416-5289 E-mail: transportation@wutc.wa.gov

Application is made in accordance with RCW 81.84 for a Certificate of Public Convenience and Necessity to operate vessels in furnishing Passenger Ferry Service.

payment 10#13	FOR OFFICIA	L USE ONLY	- /_ /
RECEPTION NO	MAP		DATE REC'D 4/3/12-
AMOUNT\$ 200 -			- ID NO. 1144159
TARIFF_ 11-0268-0216-02) TIME SCHEDULE_ SHIPPER SUPPORT_			DOCKET NO
(Only one type	OF APPLICATION: per application)	INDIC	ATE TYPE OF SERVICE APPLYING FOR:
Original Certificate			
Extension of Authority		Certificated commercial ferry – including launch service	
Transfer all Authority		Launch Service only	
X Transfer a Portion of Authority of ROLO			
X I ranster a Portion of Aut	thority of ACCIO		
Transfer a Portion of Aut Temporary Certificate	thority of BCIO		
Temporary Certificate 1. Name of Applicant ≤ € A 2. Trade Name, if applicable	M MCNAMARA (must be individual, pa	IGHAM	partnership or corporation) WATER TAXI
Temporary Certificate 1. Name of Applicant_≤∈ A	M MCNAMARA (must be individual, pa	IGHAM	WATER TAXI OD

	List names and addresses CORPORATION, gives na indicate in which state inc partnership agreement, w	ames and address orporated. If a P	sses of two p	principal office IIP, attach a ce	rs, noting the ertified copy	of the
	SEAN MCNAM	ADA				
	PO BOX 15:	LB				
	HAINES, AIC	99817				
5. L	ist the territory in which you					
6	Attach a map which show ending,and intermediate	points to be serve	ed. Also sh	ow the routes	of other carr	ning, iers giving
7.	similar service into the sa Will an attorney be repres	_			piicant).	
	If yes, give specific attorn	ey's name	<u>.</u>			
	Telephone Number ()	4	Addre	ess		
8.	Attach a copy of the tariff to be assessed for servic comply with WAC 480-51 480-149).	e and the rules a	and regulation	ns governing	same. The t	ariff must
9.	Attach a copy of the time times, points served, dist WAC 480-51-090 of the 0	ances and availa	able facilities	. The time sch	edule must	comply with
10.	List vessels which are owned (Attach additional sheet if needed)		,			
-	X VESSEL WILL]		LEASED	UPON O	CERT. 1	SSUED# Owned,
		Passenger Freight or		Passenger	Freight	Leased,
	Name	Ferry Type	Power	Capacity	Capacity	other?

	then aton	cheh		
12. Com	nplete the following	financial statement:		
		FINANCIAL STA	TEMENT	
Notes re Account Stocks in Vessels Bonds Docks (n hand and in bank eceivable ts receivable in other companies (listed above) listed above) ery, tools, etc. tate (listed below)	\$40,000-	Notes payable Accounts payable Other liabilities:	\$4,000 -
	ssets (listed below) Total		Total	
		7,000		\$4,000-
		\$ 103,000— al Estate as to location and nder item 10)	value (List here only su	•
	be listed u	al Estate as to location and		ch property as cannot
	be listed u	al Estate as to location and nder item 10)	oove:	ch property as cannot

					· · · · · · · · · · · · · · · · · · ·
	······································				
···········					
between any of	addresses of all perso the points or along an	y portion of	the route pro	oposed to be	served:
PACIFIC	ctuises/15	LAND C	OMMUT	ER	
355 Har	ris Ave. #	104			
Pellmela	n, wt. 982	25			
State applicant's	s prior experience, if a	ny, in provid	ling commer	cial ferry serv	ice:
# SEE AT	TACHED*				
			··		
		, , , , , , , , , , , , , , , , , , ,			
				····	
All applicants m	ust attach separate sh	ieets contai	ning the follo	wing informa	tion:
a.Pro forma fina year operation	incial statement of ope	erations (pro	ojections of i	ncomes and e	expenses for first
	revenue forecasts.				
	rvice for the proposed				
	f the cost of the assets			service.	
	m United States Coast		•	70	
T.Evidence of pro	oper insurance as req	uirea by vw	AC 480-51-0	70.	
If certificate is g	granted, carrier will beg	gin operatio	ns within -	20	Mouths days of that
·			is is an app tificate you	lication for a must:	temporary
f this is a transfo	er application, you				
Complete attachr	nent A.	>	Attach prod	of of insurance	e .

portion of certificated authority, attach document clearly showing authority to be transferred and a document clearly showing the authority to be retained.

If this application is for transfer of a

Attach proof that all vessels to be operated under the temporary are inspected and found to be safe and seaworthy.

service.

Attach statements from potential customers

showing immediate and urgent need for

If this is an acquisition of control of the stock, you must:

The applicant certifies he/she is familiar with the provisions of Chapter 81. 84 RCW and Chapter 480-51 WAC, Laws and Rules of the Washington Utilities and Transportation Commission, governing the operation of vessels and ferries upon the waters of the state of Washington. Applicant further certifies that vessels operated under Certificates of Public Convenience and Necessity are in no way released from the necessity of observing all Federal and State laws providing for the registration of vessels, the observance of navigation and maritime rules and regulations, and other matters subject to Federal or State enactments.

Applicant affirms that its operations shall be at all times within the provisions of such acts, and requests the Washington Utilities and Transportation Commission to make its order granting a Certificate of Public Convenience and Necessity as provided in Chapter 81.84 RCW and Chapter 48051 WAC.

The applicant swears or affirms that he/she has read the foregoing application and knows the contents, that the same is true of his/her own knowledge, except as to matters which are therein stated on information or belief, and as to those matters he/she believes them to be true.

Signature of Applicant

Date

11.
Bellingham (Squalicum Harbor, Bellwether Hotel, Bellingham Cruise Terminal),
Orcas Island (Obstruction pass, Orcas landing, Brant's landing)
Eliza, Sinclair, Lopez, Blakely.

15. Provided Charter water transportation service to the San Juan Islands for 5 years.

15 years experience in the marine industry including; Commercial fishing from Bering Sea to South Pacific. Natural history/sightseeing trips in Alaska and BC. Charters on sail and power vessels throughout west coast. Presently manage a jet boat tour company in Alaska.

Bellingham Water TaxiPro Forma Financial Statement/Year 1

Projected Income and Expenses

Vessel Expenses:	Annual
Loan payment (vessel) Fuel Insurance Repair/Maintenance Dock Fees Misc. Supplies	\$60,000 \$35,000 \$8,000 \$6,000 \$5,000 \$1,000
Non-Vessel Expenses:	
Office Phone Advertising Taxes and Licensing Vehicle expense	\$5,000 \$1,500 \$15,000 \$3,000 \$1,000
Salary Crew	\$65,000 \$20,000
Total Expenses	\$225,500
Revenue	\$243,040
Profit	\$17,540

Bellingham Water Taxi Pro Forma Financial Statement for year 1

Ridership and Revenue Forecast

e de la companya de l	Summer Desired Societing	M	Summer Revenue 8 average \$700FT	Ministra Reserved Everage \$708TT	Summer Memory Sideys For treek	Whater Average 2 days per week	Summer Revenue	Constant Constant	Amed
Bellingham	9	2	\$420	\$140	100	99	\$42,000	\$7,840	712
Eliza	4	2	\$280	\$140	IJ	מ	\$28,000	\$7,840	512
Sinclair	2	-	\$140	\$70	IJ	"	\$14,000	\$3,920	256
Cypress	2	-	\$140	\$70	n	n	\$14,000	\$3,920	256
Blakely	4	2	\$280	\$140	ננ	ĸ	\$28,000	\$7,840	512
Lopez	4	2	\$280	\$140	ж	33	\$28,000	\$7,840	512
Orcas	9	2	\$420	\$140	и	n	\$42,000	\$7,840	712
Totals	28	12	\$2,100	\$840			\$196,000	\$47,040	3472

ATTACHMENT A

Attachment for Certificated Commercial Ferry Application When Transfer is Involved

Certificate of Public Convenience and Necessity No. **BC-10** is attached and authorizes the furnishing of passenger-freight-ferry-excursion service by vessel between:

Between Obstruction Pass and Bellingham with flag stops at Eliza Isalnd, Sinclair Island, Blakely Island, and Lopez Island with additional flag stops at Orcas Landing and Brant's Landing.

The applicant (buyer) desires to obtain <u>a portion</u> of the rights pursuant to RCW 81.84.030 of said <u>Pacific Cruises Northwest, Inc.</u> (name certificate now in) who hereby agrees to the <u>transfer of portions</u> of the said certificate as applicable and the issuance in lieu of a like certificate in the name of the applicant (buyer). Both the certificate holder and the applicant (buyer) are familiar with the provisions of WAC 480-51-100 relating to the filing of annual reports and payment of fees on cessation of operation and jointly bind themselves to see that such rule is complied with. It is further represented by both parties that the sale or transfer applied for is not for the purpose of hindering, delaying or defrauding creditors.

Does the seller propose to transfer any properties o ☐ Yes x No	or facilities together with the certificate?
f "Yes", the seller and the purchaser agree to jointly Chapter 81.12 if any of the seller's physical assets duties to the public are to be transferred to the purc Convenience and Necessity requested.	necessary or useful in the performance of its
A l' l . (O . ll .	
Applicant (Selle	r) Down M. S
	By: <u>Drew M. Schmidt, President</u>
	Name & Title Date: 30 March 2012
Applicant (Buye	r)
	Ву
	Name & Title

ATTACHMENT A

Attachment for Certificated Commercial Ferry Application When Transfer is Involved

Certificate of Public Convenience and Necessity No. BC is attached and authorizes the furnishing of passengerfreightferryexcursion service by vessel between:
Bellingham + Obstruction Pass + Friday Harbor. With Flag Stops: Eliza, Sinclair, Blakely, Lopez Orcas + Brandt's Counding. & New Certificates should read as "Exhibit
The applicant (buyer) desires to obtain all aportion of the rights pursuant to RCW 81.84.030 of said Pacific Cruises Northwest Inc. (name certificate now in) who
hereby agrees to the cancellation of the said certificate as applicable and the issuance in lieu of a like certificate in the name of the applicant (buyer). Both the certificate holder and the applicant (buyer) are familiar with the provisions of WAC 48051100 relating to the filing of annual reports and payment of fees on cessation of operation and jointly bind themselves to see that such rule is complied with. It is further represented by both parties that the sale or transfer applied for is not for the purpose of thindering, delaying or defrauding creditors.
Does the seller propose to transfer any properties or facilities together with the certificate? Yes No
If "Yes", the seller and the purchaser agree to jointly file an application under the provisions of RCW Chapter 81.12 if any of the seller's physical assets necessary or useful in the performance of its duties to the public are to be transferred to the purchaser, in addition to the Certificate of Public Convenience and Necessity requested.
Applicant (Seller)
ByName & Title Date
Applicant (Buyer)
Name & Title Date 3/12/12

Exhibit 2

Requested language of Certificate BC-10 to read as follows:

PASSENGER SIGHTSEEING CRUISES

Between: North Bellingham (Squalicum Harbor) and South Bellingham (Bellingham Cruise Terminal). Point to point, with flag stop at Boulevard Park Dock.

PASSENGER AND FREIGHT SERVICE

Between: Bellingham and Friday Harbor.

Requested language of **new Certificate BC-____** to read as follows:

PASSENGER AND FREIGHT SERVICE

Between: Bellingham and Obstruction Pass.

In conjunction with the above authority, flag stops at Orcas Landing and Brant's Landing on Orcas Island, Eliza, Sinclair, Blakely, and Lopez Islands.

Excluding freight service between Orcas Island – San Juan Island, Orcas Island – Lopez Island, and Lopez Island – San Juan Island.

Pursuant to RCW 47.60.120 (3), waiver of the ten mile restriction granted.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

For the Operation of Motor Propelled Vehicles

pursuant to the provisions of Chapter 81 RCW

THIS IS TO CERTIFY that authority is granted to operate as a MOTOR CARRIER in the transportation of the commodities and in the territory described herein to

PACIFIC CRUISES NORTHWEST, INC. d/b/a VICTORIA SAN JUAN CRUISES 355 HARRIS AVE. STE 104 BELLINGHAM, WA 98225 PERMIT NO. BC-10

WONDIND POPOSON DISTRIBUTION DI

PASSENGER SIGHTSEEING CRUISES

Between: North Bellingham (Squalicum Harbor) and South Bellingham (Bellingham Cruise Terminal), point to point, with a flag stop at Boulevard Park Dock.

PASSENGER-ONLY FERRY SERVICES between Bellingham and Friday Harbor.

PASSENGER AND FREIGHT SERVICE

Between Friday Harbor and Bellingham, and between Obstruction Pass and Bellingham, with the carrying vessel touching at Obstruction Pass on voyages to and from Friday Harbor.

In conjunction with the above authority, flag stops at Eliza Island, Sinclair Island, Blakely Island, and Lopez Island. This authority to make flag stops will terminate automatically upon termination of the certificate holder's authority to provide the above service between Friday Harbor and Bellingham and between Obstruction Pass and Bellingham.

The above statements of authority exclude freight service between Obstruction Pass-Friday Harbor, Obstruction Pass-Lopez Island, and Lopez Island-Friday Harbor.

Pursuant to RCW 47.60.010(3), waiver of the ten-mile restriction is granted.

SERVICE DATE
JUL 2 0 2006



WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

By Ward W Vanne

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Continuation

In conjunction with existing authority, flag stop service at Oreas Landing (Harney Channel, Oreas Island).

Excluding freight service between Oreas Island - San Juan Island, Oreas Island - Lopez Island, and Lopez Island - San Juan Island.

Pursuant to RCW 47.60.120 (3), waiver of the ten-mile restriction is granted.

In conjunction with the existing authority, flag stop service at Brandt's Landing (Oreas Island).

Excluding freight service between Oreas Island - San Juan Island, Oreas Island - Lopez Island and Lopez Island - San Juan Island.

TS-060133

06-07-06



Tariff

of

Sean McNamara

Certificate Number: Pending

Operating under the trade name:

Bellingham Water Taxi

Naming Fares and Rates for Commercial Ferry Service

Between: Bellingham and Obstruction Pass (Orcas Island) with flag stops at: Eliza, Sinclair, Lopez, Blakely, Orcas and Brandt's Landings

Issue Date: 3/29/2012 Effective Date:

Issued By:

Sean McNamara - Bellingham Water Taxi P.O. Box 1528 Haines, AK 99827

For Commission Use Only

Page Effective Date:

Docket No:

Section 1

RULES AND REGULATIONS

Ann	lication	าดf	Ta	riff:
<u>, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>	1100101			

REGULAR ROUTES:

Passengers and Freight,

- (1) Between Bellingham, WA and Obstruction Pass (Orca Island, WA.)
- (2) With Flag Stops: Eliza, Sinclair, Lopez, Blakely, Orcas and Brandt's Landings.

ANIMALS:

Dogs, Cats, and other animals are allowed free of charge. Cats must be in a carrier, dogs must be leashed. Service Animals traveling with passengers will be carried free of charge. Animals must be properly harnessed and will not be permitted to occupy a seat, but must lie or stand at the feet of its owner. The owner of the animal is liable for any injury/damage caused by animal while onboard.

APPLICATION OF FARES:

Page Effective Date:

- (1) The Fares authorized herein are Adult One-Way and Round-Trip Fares, and are payable in lawful United States money or its equivalent.
- (2) The Fares authorized herein will apply between any two (2) points in the Continental United States, between points in the United States and Canada, and from all points on the lines of the Issuing Carriers to all points on the lines of the Issuing and Participating Carriers hereto.
- (3) The Fares authorized herein may not be used as Basing Fares to construct Fares to or from points beyond stations on the lines of the Issuing and Participating Carriers named herein.

APPLICATION OF FARES - CHILDREN:

- Children under 6 years of age must be accompanied by an adult passenger.
- (2) Children ages 3 years of age and under, not occupying a seat to the exclusion of other passengers, will be carried free of charge.

ssue Date: 3/29/2012	Effective Date:
Issued E	Зу:
Sean McNamara - Bellingham Water Taxi	P.O. Box 1528 Haines, AK 99827
For Commission	n Use Only

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(3) Children under 6 years of age, will be charged 1/2 of the fare applicable to adults, increased when necessary to make such fares end in "0" or "5". Ages 6+ will be charged full adult fare.

ARTICLES OF UNUSUAL VALUE

The following articles will be accepted in Baggage Service subject to a MAXIMUM Liability of \$250.00 per Adult Ticket or \$125.00 per Child's Ticket and a greater value may NOT be declared on such articles: Antiques, Articles of Extraordinary Value, Heirlooms, Jewelry including Watches, Money, Negotiable Instruments, Valuable Papers including; Manuscripts, Irreplaceable Publications, Documents, Pictures, etc.

ARTICLES NOT ACCEPTED AS BAGGAGE

Articles listed below are classified as "Prohibited" and will not be transported under any circumstances; that is, Passengers will not be permitted to Check the Items in Baggage Service or to carry them on the vessel:

(1) Articles Prohibited by Law:

Acids, Batteries containing Liquid Acids, Cylinders containing Compressed Gases (See NOTE), Combustible Liquids, Explosives, Flammable Films, Fireworks, Flammable Materials, Gases, Hazardous (Dangerous) Articles such as; Poisons, Gases, Radioactive Materials, Flammable Articles.

NOTE: Passengers, who for medical reasons must rely on the use of oxygen in portable oxygen containers, must carry such containers with them on the vessel. No such passenger will be seated in a designated smoking area aboard the vessel.

(2) Other Prohibited Items:

Ammunition, Furniture, Materials which have a disagreeable odor, Phonograph Records, Televisions.

BAGGAGE ALLOWANCE

Baggage, not exceeding 3 pieces nor a total of 75 lbs. for each adult fare and not exceeding 3 pieces nor a total of 35 lbs. on each child's fare will be carried free. Bicycles will be carried for a \$5.00 flat fee.

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Issued By:		
Sean McNamara - Bellingham Water Taxi P.O. Box 1528	Haines, AK 9	99827
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BAGGAGE, LIABILITY OF CARRIER

In the event of loss or of damage to baggage carrier shall not be held liable for a sum greater than \$250.00 on baggage carried on an adult fare nor more than \$125.00 on baggage carried on a child's fare.

DELAYS, LIMITATION

- (1) Carrier will NOT be liable for delays caused by accidents, breakdowns, bad sea conditions, snow storms and any other condition beyond their control, and do NOT guarantee to arrive at, or depart from, any point at a specific time. Carrier will endeavor to maintain the schedule submitted by its agent or employee, but same is not guaranteed.
- (2) If conditions over which carrier has no control, such as weather, sea condition, or acts of God, make it in the opinion of the carrier, inadvisable to operate, either from point of origin or at any point enroute the carrier will NOT be liable therefor, or be caused to be held for damage for any reason whatsoever.

FIREARMS

Firearms will NOT be transported as baggage nor personally nor in any way whatsoever.

LOST ARTICLES OR BAGGAGE

Carrier assumes no responsibility for articles lost or misplaced, which are not checked as baggage.

OBJECTIONABLE PERSONS

Carrier reserves the right to refuse to transport a person who is under the influence of intoxicating liquor, or drugs, or who is incapable of taking care of himself or herself, or whose conduct is such, or liable to be such as to make him or her objectionable to other passengers.

OPERATIONS, SEASONAL

Operations are seasonal in character and are subject to weather conditions. Carrier reserves the right to issue or honor tickets ONLY when service is being operated.

Issue Date: 3/29/2012		Effective Date:
	Issued By:	
Sean McN	lamara - Bellingham Water Taxi P.O. Bo	ox 1528 Haines, AK 99827
	For Commission Use On	ily
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RESERVATIONS

- (1) Reservations for specific seats will not be made.
- (2) Reservations must be made in advance, guaranteed by credit card and or prepayment by cash or check and confirmed otherwise carriage cannot be guaranteed.
- (3) Carrier reserves full control and discretion as to the seating of passengers and reserves the right to change such seating at any time during the trip.
- (4) Carrier reserves the right, whenever operating conditions require, to transfer passengers from one vessel to another or to another mode of transportation as it sees fit, enroute.
- (5) Immediate transportation cannot be guaranteed, being subject in all cases to limitations of carrying capacity and to conditions beyond the companies control. In the event of their being insufficient carrying capacity on any schedule, carrier reserves the right to accommodate passengers on the earliest possible schedule.

TICKETS, LOST OR STOLEN

Carrier party to this tariff will not be responsible in the case of tickets lost by passengers, nor will the money paid therefor be refunded. Carrier, at its discretion, may, replace such lost tickets to passengers, on a stand by basis, for the original transportation date only.

TICKETS, REDEMPTION OF

Tickets sold under the authority of this tariff will be redeemed to the original purchaser by the issuing carrier at the carrier's principal office, as follows:

- (1) No refund will be allowed if ANY of the ticket has been used.
- (2) A totally unused ticket will be refunded to the original purchaser at the fare paid ONLY if canceled 24 hours prior to scheduled departure.
- (3) Tickets are non-transferable, unless otherwise provided herein, and if presented for passage or refund by any person other than the original purchaser or authorized holder, will be void and may be confiscated by the agent or other authorized employee of the carrier.

Issue Date: 3/	29/2012			E	Effective Date:
		Issued E	By:		
;	Sean McNamara -	Bellingham Water Taxi	P.O. Box 1528	Haines, AK 9982	27
		For Commission	· Use Only		
Page Effective	e Date:	Docket No:	•	Commission Orde	er No:

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Tickets sold under the authority will be valid only on the date specified at time of purchase. Tickets may be used on a "stand by" basis prior to the specified date and shall be void thereafter.

Issue Date: 3/29/2012 Effective Date:

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Sean McNamara - Bellingham Water Taxi P.O. Box 1528 Haines, AK 99827

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Section 2

SCHEDULE OF ONE WAY AND ROUND-TRIP PASSENGER FARES

Fares are in United States dollars and cents per each adult passenger.

(1) Between Bellingham, WA and Obstruction Pass (Orcas Island), with Flag stops Blakely, Lopez, Orcas and Brandts Landings:

Round Trip

70.00

One Way

40.00

(2) Flag Stops Eliza and Sinclair:

Round Trip

60.00

One Way

35.00

Issue Date: 3/29/2012 Effective Date:

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Section 3

EXPRESS RATES AND RULES

RATES:			
Between Bellingham and Orcas I	sland	\$10.00	
RULES:			
(1) Above rates apply to package that weight will be charged \$1.00 exceed 100 pounds in weight.			
(2) Shipments must be wrapped	securely and properly	for safe and conv	venient handling.
(3) Express will be handled with particular trip.	reasonable dispatch, b	ut company does	s not guarantee to carry on any
(4) See Section 1, Articles Not A	ccepted As Baggage, fo	or prohibited item	ns.
(5) No C.O.D. or freight collect s	hipments will be accept	ted.	
(6) Bicycles will be charged a fla	t \$5.00 fee.		
Issue Date: 3/29/2012			Effective Date
Sean McNamara -	Issued E Bellingham Water Taxi		Haines, AK 99827
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Time Schedule

of

Sean McNamara

Certificate Number: Pending

Operating under the trade name:

Bellingham Water Taxi

Providing Commercial Ferry Service in the following described territory:

Between Bellingham and Obstruction Pass (Orcas Island) with flag stops at: Eliza, Sinclair, Lopez, Blakely, Orcas and Brandts Landing.

Issue Date:03/29/12 Effective Date:

Issued By: Sean McNamara - Bellingham Water Taxi P.O. Box 1528 Haines, AK 99827

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Bellingham Water Taxi

Time Schedule:

Between Bellingham, WA. and Obstruction Pass (Orcas Island, WA.) With flag stops: Eliza, Sinclair, Lopez, Blakely, Orcas and Brandt's Landing.

Summer Schedule:

Operating daily from May 1, through September 30

Depart Bellingham: 0900

Flag stops at: Eliza, Sinclair, Brandts

Arrive Obstruction Pass: 1000

Depart Obstruction Pass: 1015

Flag stops at: Orcas Landing, Lopez, Blakely, Sinclair, Eliza

Arrive Bellingham: 1115

Depart Bellingham: 1700

Flag stops at: Eliza, Sinclair, Brandts

Arrive Obstruction Pass: 1800

Depart Obstruction Pass: 1815

Flag stops at: Orcas Landing, Lopez, Blakely, Sinclair, Eliza

Arrive Bellingham: 1915

Winter Schedule:

Operating 4 days per week (Friday through Monday)

Morning departure/arrival times, and flag stops, same as summer schedule

Depart Bellingham: 1500 Flag stops at: Eliza, Sinclair, Cypress, Brandts Arrive Obstruction Pass: 1600

Depart Rosario: 1615

Flag stops at: Orcas Landing, Lopez, Blakely, Sinclair, Eliza

Arrive Bellingham: 1715

Issue Date: 03/29/12

Effective Date:

Issued By:

Sean McNamara - Bellingham Water Taxi P.O. Box 1528 Haines, AK 99827

For Commission Use Only

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Page Effective Date:

AGREEMENT TO PURCHASE

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

THIS AGREEMENT made and entered into this <u>28</u> day of March 2012, by and between **PACIFIC CRUISES NORTHWEST, INC.**, a Washington corporation (hereinafter referred to as Seller), and **SEAN MCNAMARA** (hereinafter referred to as "Purchaser").

RECITALS

- 1.1 WHEREAS, Seller is the owner and holder of Public Convenience and Necessity Certificate No. BC-10 issued by the Washington Utilities and Transportation Commission, a copy of which is attached hereto as **Exhibit 1**, and by this reference incorporated herein; and
- 1.2 WHEREAS, Seller desires to sell and Purchaser desires to purchase a portion of certain operating rights contained in BC-10; and, therefore, in consideration of the mutual covenants and agreements contained herein, IT IS AGREED AS FOLLOWS:

AGREEMENT

2.1 Seller agrees to sell and Purchaser agrees to purchase certain portions of the aforementioned Washington Utilities and Transportation Commission Commercial Certificate No. BC-10 as set forth in Exhibit 1, and more particularly described as follows:

PASSENGER AND FREIGHT SERVICE

Between Obstruction Pass and Bellingham.

In conjunction with the above authority, flag stops at Eliza Island, Sinclair Island, Blakely Island, and Lopez Island. This authority to make flag stops will terminate automatically upon termination of the certificate holder's authority to provide the above service between Friday Harbor and Bellingham and between Obstruction Pass and Bellingham.

The above statements of authority exclude freight service between Obstruction Pass - Friday Harbor, Obstruction Pass - Lopez Island, and Lopez Island - Friday Harbor.

Pursuant to RCW 47.60.010(3), the waiver of the ten-mile restriction granted.

In conjunction with existing authority, flag stop service at Orcas Landing (Harney Channel, Orcas Island).

Excluding freight service between Orcas Island – San Juan island, Orcas Island – Lopez Island, and Lopez Island – San Juan Island.

Pursuant to RCW 47.60.120 (3), waiver of the ten mile restriction granted.

In conjunction with the existing authority, flag stop service at Brandt's Landing (Orcas Island).

Page 1 of 5

Excluding freight service between Orcas Island – San Juan Island, Orcas Island – Lopez Island and Lopez Island – San Juan Island.

Expressly excluded from this purchase are portions particularly described as follows:

PASSENGER SIGHTSEEING CRUISES

Between: North Bellingham (Squalicum Harbor) and South Bellingham (Bellingham Cruise Terminal). Point to point, with flag stop at Boulevard Park Dock.

PASSENGER-ONLY FERRY SERVICES between Bellingham and Friday Harbor.

PASSENGER AND FREIGHT SERVICE

Between Friday Harbor and Bellingham.

- 2.2 Purchaser agrees to pay the sum of TEN THOUSAND DOLLARS AND NO/100 (\$10,000.00) to Seller for the above-referenced authority contained in Certificate BC-10. Within 15 days of service of a final, un-appealed order of the Washington Utilities and Transportation Commission approving the certificate transfer which is the subject of this Agreement, Purchaser will pay to Seller the sum of TWO THOUSAND DOLLARS AND NO/100 (\$2,000.00) as the first installment. By each subsequent first day of August, beginning with August 1st, 2013, Purchaser shall pay to Seller the minimum sum of TWO THOUSAND DOLLARS AND NO/100 (\$2,000.00) until the total aggregate payments totals \$10,000.00.
- 2.3 No Liens/Encumbrances. All operating authority sought to be transferred hereunder shall be free and clear of all liens, claims and encumbrances of any kind or nature whatsoever, shall be transferable by Seller to Purchaser in such fashion, and Seller does hereby agree to indemnify and hold harmless Purchaser from all such costs, loss or expenditure of any kind or nature whatsoever, including, but not limited to, any attorney's fees that have accrued by or from or are the result of any claim by any third person as to any legal or equitable right, title or interest in or to the underlying Operating Authority.
- 2.4 Transaction Subject to WUTC Approval. This Agreement is expressly made subject to, and wholly conditioned upon, approval by the Washington Utilities and Transportation Commission ("WUTC") of the transfer of the Operating Permit which is the subject of this Agreement without any restriction, diminution or deletion thereof. Both parties agree to fully cooperate in filing the necessary application with the Washington Utilities and Transportation Commission to allow the Purchaser to acquire the operating asset constituting the Certificate rights sought to be transferred. The Purchaser agrees to pay the necessary filing fees entailed in the filing and processing of this Application. Purchaser and Seller further each agree to bear their own attorney's fees in conjunction with the prosecution of this Application. Both parties agree to present witnesses if required on the Application, and to appear in person at the hearing (if any) on said Application. Purchaser hereby reserves the right, should the Washington Utilities and Transportation Commission or a

age 2 of 5

reviewing court deny the transfer application or in any way restrict, delete or diminish the Operating Authority which is the subject of the transfer proceeding to complete this transaction in accordance with the terms hereof, or to terminate the Agreement and to then obtain a complete refund of any monies heretofore paid to Seller previously.

2.5 Binding Agreement/Governing Law. This Agreement shall be binding upon the parties hereto and their heirs, assigns, and successors and shall in all respects be governed by and construed in accordance with the laws of the State of Washington.

2.6 Construction of Agreement. The parties each acknowledge that this Agreement was negotiated and jointly drafted and that they have read and understand the terms of this Agreement; accordingly, this Agreement shall be construed and interpreted without any presumption or other role requiring constructional interpretation against the party drafting the Agreement.

2.7 Severability. Should any term, provision, condition or other portion of this Agreement or its application be held to be inoperative, invalid or unenforceable, and the remainder of the Agreement still fulfills its purposes, the remainder of this Agreement or its application and other circumstances shall not be affected thereby and shall continue in full force and effect.

2.8 Integration. The parties mutually acknowledge that this Agreement memorializes the full and final expression of their intent as to the terms surrounding this transaction and may not be modified except in writing, duly executed by each of the parties hereto.

SELLER:

PACIFIC CRUISES NORTHWEST, INC.

BY: Dar M S

It's President

PURCHASER:

SEAN MCNAMARA

1ARA 3/28/12

WASHINGTON CITILITIES AND TRANSPORTATION COMMISSION

For the Operation of Motor Propelled Vehicles

pursuant to the provisions of Chapter at RCW

THIS IS TO CERTIFY that authority is granted to operate as a MOTOR CARRIER in the transportation of the commodities and in the territory described herein to

PAGING CRUISES NORTHWEST, INC. d4va VICTORIA SAN JUAN CRUISES 355 HARRIS AVN, STR 104 BELLINGHAM, WA 98225

PERMIT NO. BC-10

PASSENGER SIGHTSEEING CRUISES

Between: North Bellingham (Squalicum Hador) and Smith Bellingham (Bellingham Chu se Terminal), positio point, with a flag step at Bordevard Park Orck.

PASSENGER-ONLY FERRY SERVICES between Bellingham and Friday Harber.

PASSENGER AND FREIGHT SERVICE.

Between Friday Harbor and Bellingham, and between Obstruction Pass and Bellingham, with the carrying vessel touching at Obstruction 2005 on voyages to and from Friday Earbor.

In conjustation with the above authority, tag stops at third Island, Sinciair Island, Blakely Island, and Lopez Island. This authority to make flag stops will terminate automatically upon termination of the certificate bodier's authority to provide the above service between Friday Harber and Bellingham and between Obstruction Pass and Bellingham.

The above statements of authority exclude freight service between Obstruction Pass-Friday Harbor, Obstruction Pass-Lupez Island, and Lupez Island-Friday Harbor.

Pursuant to RCW 47.60 010(3), waiver of the con-mile restriction is grantest.

SERVICE DATE

JUL 20 2008

WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

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Exhibit 2

Requested language of Certificate BC-10 to read as follows:

PASSENGER SIGHTSEEING CRUISES

Between: North Bellingham (Squalicum Harbor) and South Bellingham (Bellingham Cruise Terminal). Point to point, with flag stop at Boulevard Park Dock.

PASSENGER AND FREIGHT SERVICE

Between: Bellingham and Friday Harbor.

Requested language of **new Certificate BC-____** to read as follows:

PASSENGER AND FREIGHT SERVICE

Between: Bellingham and Obstruction Pass.

In conjunction with the above authority, flag stops at Orcas Landing and Brant's Landing on Orcas Island, Eliza, Sinclair, Blakely, and Lopez Islands.

Excluding freight service between Orcas Island – San Juan Island, Orcas Island – Lopez Island, and Lopez Island – San Juan Island.

Pursuant to RCW 47.60.120 (3), waiver of the ten mile restriction granted.



BELLINGHAM WATER TAXI

PO Box 1528 Haines, AK 99827

T 907.767.5722 C 360.393.5753 bellinghamwatertaxi@gmail.com

March 29, 2012

David Danner, Executive Director and Secretary Washington Utilities and Transportation Commission Attention: License services and Penny Ingram PO Box 47250
1300 S. Evergreen Park Dr. SW Olympia, Wa 98504-7250

RECEIVED

APR 022012

WASH, UT. & TP COMM

Dear Mr. Danner,

As of March 28th, an agreement to purchase partial authority of commercial ferry certificate BC-10 has been reached between Pacific Cruises Northwest inc., and Sean McNamara (dba/Bellingham Water Taxi).

Attached is the following: Joint application for Sale and Transfer, Original Tariff and Time Schedule, and signed agreement to purchase. Please note, signature of President/Pacific Cruises Northwest for Attachment A, will be filed separately by him.

Thank you and please feel free to contact me with any questions.

Sincerely yours,

Sean McNamara