



RECOMMENDED ACTION

To authorize the President and CEO to extend the current contract with Catalina Express Inc. (Catalina Express) for one year to operate the AquaBus and AquaLink Water Taxi Services.

STAFF REPRESENTATIVE

Lee Burner, Executive Director/VP, Transit Service Delivery and Planning

BACKGROUND

Long Beach Transit (LBT) has been operating and providing water taxi service for Long Beach customers since 1998. The water vessels consist of two 40-foot, 38-passenger AquaBus vessels serving the Long Beach harbor, Aquarium of the Pacific and two 68-foot, 75-passenger AquaLink catamarans which serve the Long Beach waterfront between Alamitos Bay Landing, the Queen Mary, and Downtown Long Beach. The vessels are accessible to mobility devices, bicycles and provide connections to LBT's regular fixed-route bus service. To provide this service, LBT enlists the operational expertise of a professional water vessel operator.

The current contract with LBT's water vessel operator, Catalina Express, expires on July 31, 2022. This extension would start effective August 1, 2022. Aquabus and Aqualink service hours have been adjusted over the past year due to the COVID-19 pandemic and to best meet customer demands while considering LBT's financial resources. Service for the FY23 season includes three-day weekend service between September and May, including holidays, and seven-day service between June and August.

On March 24, 2022, the California Air Resources Board (CARB) approved updates to its Commercial Harbor Craft Regulations. The goal of these updates is to reduce emissions from harbor crafts like tugboats and ferries that operate near the California coast to improve public health in nearby communities, many of which are disadvantaged. With the new amendment regulations, LBT is required to upgrade or convert its water taxi or short-run vessels to full zero-emissions by December 31, 2025.

The purpose of CARB is to develop regulations to comply with the Federal Clean Air Act requirements, regulate all air pollution sources to meet emission reduction goals, and to help California obtain the emission reductions needed to meet federal ozone standards. CARB's new evaporative regulations for boats fulfills a legal commitment included in the California State implementation plan. LBT will be researching incentive funding opportunities that are available and may exist through the Advanced Technology Demonstrations and Pilot Project Programs funded by the Low Carbon Transportation Program.

In order to comply with the new CARB regulations, LBT will take immediate actions and measures that will include, but are not limited to, the development of a comprehensive plan to meet or exceed the requirements of the new regulations. Until the details of this plan are known, it is not in LBT's best interest to enter into a new long-term agreement with a service provider.



Instead, LBT is recommending a one-year extension of the existing agreement with our current provider, Catalina Express, who has the resources and experience to assist LBT in becoming compliant with the new requirements.

LBT has been a nationwide leader in its commitment to clean air in the community and was one of the first transit agencies to incorporate Battery Electric Buses (BEB) as part of its fleet.

PROCUREMENT

On August 1, 2017, LBT entered into a five-year contract with Catalina Express to provide water taxi services. This contract is set to expire on July 30, 2022.

Prior to this expiration date a Request for Proposal (RFP) was issued for these services, and three responses were received. However, during the RFP evaluation period, the new CARB regulations were expanded. The regulations necessitated a new and substantially different scope of work for these services over the anticipated five-year term.

In an effort to keep the water taxis in service as LBT develops its plans to be compliant with the new CARB regulations, the Procurement department reached out to the current provider, Catalina Express, to obtain a quote for a one-year extension to the existing contract.

Catalina Express is an SBE-certified firm located in San Pedro, CA. Catalina Express provided a quote for a one-year extension in the amount of \$872,011. This price includes the fixed and variable costs for both AquaLink and AquaBus. Based on the comparative pricing received during the RFP, Catalina's pricing is approximately 14.7% lower than that of similar service providers. The LBT Procurement Department has therefore found the pricing to be fair and reasonable.

ALTERNATIVES CONSIDERED

Staff considered not extending the contract with Catalina Express, Inc. However, staff does not recommend this option as this would prevent LBT from providing service to its customers.

Staff also considered providing these services through in-house personnel. However, LBT does not have the resources or qualified personnel to operate and manage the vessels.

BUDGETARY/FISCAL IMPACT

Funds for the extension of this contract will be included in the Fiscal Year 2023 operating budget.



STAFF RECOMMENDATION

Staff is requesting LBT's Board of Directors to authorize the President and CEO to extend the current contract with Catalina Express for one year for the provision of water taxi management and operations service at a total authorization amount not to exceed \$872,011.

A handwritten signature in blue ink, reading 'K. McDonald', is written over a horizontal line.

Kenneth A. McDonald
President and Chief Executive Officer