

**SUBJECT***Water Taxi Services Contract***RECOMMENDED ACTION**

***To authorize the President and CEO to enter into a contract with Catalina Channel Express, Inc., (Catalina Express) to operate the AquaBus and AquaLink Water Taxi Services for three years at a cost of \$2,667,029, plus two, one-year options at \$942,889 for Option Year One and \$971,141 for Option Year Two, for a total authorization amount not to exceed \$4,581,059.***

**BACKGROUND**

Long Beach Transit (LBT) launched a public water taxi service with the introduction of the AquaBus and AquaLink in 1998 and 2001, respectively. The boat fleet consists of two 40-foot, 38-passenger AquaBus vessels serving the Long Beach harbor and two 68-foot, 75-passenger AquaLink catamarans which serve the Long Beach waterfront between Alamitos Bay and Downtown. The vessels are compliant with the Americans with Disabilities Act of 1990 (ADA) and provide connections to LBT's regular fixed-route bus service. Due to the complexity of providing marine service, LBT enlists the operational expertise of a professional water vessel operator.

The contract with LBT's current water vessel operator, Catalina Express, expires July 31, 2017. The new contract would start effective August 1, 2017. AquaBus and AquaLink service hours have been adjusted over the last 15 years to best meet demand while considering LBT's financial resources. Service for the 2017 season includes three-day weekend service from April 7 to May 21, seven-day service from May 26 to September 4 and three-day weekend service again from September 8 to January 28, 2018.

**PROCUREMENT**

LBT issued a Request for Proposal (RFP) to several qualified firms and received three proposals. The proposals were evaluated based on the following criteria: technical qualifications, experience and quality of work, references, and price. Catalina Express, located in San Pedro, California, scored the highest rating and was found to be responsive and responsible by LBT's Purchasing department.

The three base years of this contract include a fixed cost of \$718,435, plus a not-to-exceed operational cost of \$1,948,594. The operational cost is based on operating the AquaLink for 3,625 hours and the AquaBus for 2,020 hours each year.

At the end of the third year of this contract, LBT has the unilateral right to exercise two, one-year options. Option Year One includes a fixed cost of \$253,989, plus a not-to-exceed operational cost of \$688,900. Option Year Two includes a fixed cost of \$261,609 and a not-to-exceed operational cost of \$709,532, for a total contract amount not to exceed \$4,581,059.

### **DBE/SBE PARTICIPATION**

The Small Business Enterprise (SBE) goal established for the solicitation was 11 percent. Catalina Express is an SBE-certified firm and will be utilizing California Fuel & Lubricants, a fuel and lubricant supplier, which is also SBE certified. Catalina Express will exceed the SBE contract goal.


### **ALTERNATIVES CONSIDERED**

The Board could opt not to approve the recommendation. However, staff does not recommend this option, as LBT's Water Taxi Service is an important service that provides connections to LBT's fixed-route bus service. This transportation option provides LBT customers an exciting way to travel as well as enjoy the Long Beach waterfront.

### **BUDGETARY/FISCAL IMPACT**

Staff is requesting LBT's Board of Directors to authorize the President and CEO to enter into a contract with Catalina Channel Express, Inc., (Catalina Express) to operate the AquaBus and AquaLink Water Taxi Services for three years at a cost of \$2,667,029, plus two, one-year options at \$942,889 for Option Year One and \$971,141 for Option Year Two, for a total authorization amount not to exceed \$4,581,059.

Funds for this contract were included in the Fiscal Year 2018 operating budget and will be included in subsequent operating budgets.



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Kenneth A. McDonald  
President and Chief Executive Officer