

**City of Pompano Beach**  
**Intracoastal Waterway**  
**Water Taxi Service in Pompano Beach**

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## **Table of Contents**

	<b>Page</b>
<b>I. Introduction</b>	<b>4</b>
<b>II. Experience of Project Team</b>	<b>6</b>
<b>III. Approach and Operations</b>	<b>11</b>
<b>IV. Pricing</b>	<b>14</b>
<b>V. Vessels</b>	<b>15</b>
<b>VI. Route Schedule</b>	<b>16</b>
<b>VII. Time Schedule</b>	<b>17</b>
<b>VIII. Project Schedule</b>	<b>19</b>
<b>IX. Budget Proposal</b>	<b>20</b>
<b>X. Customer Payments</b>	<b>23</b>
<b>XI. Subsidies</b>	<b>24</b>
<b>XII. Equipment Needs – Water Taxi Stations Modifications</b>	<b>26</b>
<b>XIII. Additional Information</b>	<b>27</b>
<b>XIV. Sample Pompano Beach Water Taxi Brochure</b>	<b>27</b>
<b>XV. Appendix</b>	
<b>A. Org Chart</b>	
<b>B. Resumes</b>	
<b>C. Licenses - Certificates</b>	
<b>D. Letters of Intent</b>	
<b>E. Exhibits</b>	
<b>F. Table “I”</b>	
<b>G. Financial Analysis</b>	
<b>H. Request for Proposals (RFP) L-17-17</b>	

## **Introduction**

Pompano Beach Water Taxi, Inc. (PBWT) is presenting this proposal to the City of Pompano Beach to obtain the rights to operate a first class water taxi service within the city and surrounding areas. PBWT was formed to manage all aspects of the Water Taxi Service in Pompano Beach. Therefore, PVWT replaces MGSIII Maritime, LLC. as the Applicant and Operator. We would like to merge our vision with the City of Pompano Beach already existing visions reflected in the City's Strategic Plan and plans for redevelopment in the barrier island. The goal is to help those visions and offer a first-class beach for everyone, and strong neighborhoods.

The City of Pompano Beach community also has a diverse and international population, it is family friendly, attractive, clean and green. City government is financially strong and sustainable, provides responsive and efficient City services, and is building "One City, One Community." With our proposed water taxi service, we see us adopting the same vision and core values. We also see this project as a great opportunity to bring neighboring cities together using a unique, fun and different means of transportation. This service will be an opportunity to provide a first class water taxi service connecting Pompano Beach and neighboring cities, ultimately generating new and exciting sources of revenue for the City. The proposed water taxi service is an exciting venture. By connecting to neighboring cities, this venture allows visitors to come to Pompano Beach and learn about the myriad of venues available to have fun and enjoy. The water taxi will serve as a vehicle to increase tourism into the City.

We strongly believe that with the prospective growth of construction, the community redevelopment and the economic development of Pompano Beach, now is the perfect time to join in the City's growth process. This also gives us and the service the opportunity to grow with the city. We believe that this service will also benefit local businesses through marketing and advertising. We definitely see this service as an alternate route of transportation for both the local residences and visitors, as well as neighboring residence and visitors. Moreover, we expect to promote and plan to utilize

the newly built city beach parking garage, utilizing the historical Hillsboro Light House, and other exciting points of interest within the city to promote the city.

Having an owner in the company that owns and operates several successful businesses with in the City of Pompano Beach, show that our company not only believes in The City of Pompano Beach and its growth, but believes in this service and the revenue that it will provide to the City of Pompano Beach and local businesses. By submitting this proposal we are committed to showing the City of Pompano Beach what we believe will be a successful water taxi service. With successful services also come great success and reward for the City of Pompano Beach.

We hope as you review this proposal, you can appreciate and see the hard work, dedication and excitement PBWT has put into this proposal.

We have included items that will give a visual aspect of what we would like to implement for this water taxi service. These visual aids include route maps and stops, tentative stop schedule times, vessels to be utilized, logo's and designs, brochures and ticketing.

We look forward to a long-lasting relationship with the City!

## **Experience of Project Team**

### **Jeff Torode, PBWT Vice President / Treasurer**

I have extensive background in boating and marine related activities, ranging from working for the cruise ship industry to owning and operating various charter boat services. My experience spans a lapse of 35 years.

#### **Managerial Experience**

My water related careers began working as a Divemaster for the dive course director at Florida Junior college in Jacksonville Florida. After leaving college, I managed 2 different dive centers in Jacksonville: Underwater Designers (second largest PADI training facility in the US) and American Dive Center (IDEA headquarters and training facility). I also managed 2 different centers in South Florida: Boca Sea Adventures and Force-E Boca Raton. Managing these operations gave me a great foundation for water related business.

#### **Cruise Industry Experience**

Shallow Water Development contracted with NCL to create a snorkeling program for all their ships and their out island (Great Stirrups Key). I was hired as a staff member in charge of working on the ships and the out island registering and guiding guests on snorkel experiences throughout the Caribbean. We rotated from the ships to the out island. Part of our duties on the island was to ferry guests to and from the ship. I was also tasked with running their sailing program. The cruise ship experience taught me a great deal about customer service, safety and dealing with large numbers of passengers.

#### **Commercial Diving Experience**

I have held a commercial fishing license and ran my own commercial dive boat harvesting fish and lobster from South Florida to the Western Bahamas. I also owned and operated a commercial tropical fish operation in Marathon Key, capturing ornamental fish for the aquarium trade.

### **Charter Boat Experience**

I currently own and operate 2 charter boat services in Pompano Beach including South Florida Diving Headquarters Inc. established in 1996 offering diving, snorkeling, glass bottom experiences. My operation is also a Professional Association of Diving Instructors (PADI) 5 Star training facility and a Guy Harvey Outfitter. We have two 49 passenger power catamarans and an 11 passenger mono hull vessel servicing on average 8,000 guests a year from around the world and the US. We hold a Certificate of Excellence from Trip Advisor. We work closely with the Greater Fort Lauderdale Convention and Visitor's Bureau, Pompano Beach Tourism Director, LTBS Public Relations and Visit Florida promoting tourism in South Florida. In addition, I operate Serenity Yacht Charters Inc. (established in 2009) offering dinner cruises, private charters and weddings aboard our 72 ft. Yacht Serenity III. We currently have a 5-year contract with Wyndham Resorts providing cruises for their guests.

### **Water Taxi Experience**

Using our 49 passenger power catamarans we provide water taxi service for the Ft. Lauderdale Boat Show, Tortuga Fest, Miami Boat Show and Miami River Day transporting thousands of passengers during these events. In addition, we operate as the shuttle service for the Hillsboro Lighthouse tours monthly.

### **Summary**

I am a licensed United States Coast Guard (USCG) Captain with over 20 years of experience running passenger vessels. I currently own two (2) successful charter businesses in Pompano Beach with great customer satisfaction ratings. I am sure there will be spill over from my other charter businesses to Pompano Beach Water Taxi. I am very familiar with all the waterways in our area and have working relationships with many of the water front properties and major hotels in the area. I am also very familiar with all regulations pertaining to operating USCG Certified passenger vessels and maintaining them above inspection standards. As a 16-year Pompano Beach resident, my businesses are in Pompano Beach and nearly all the vendors I use for the businesses are in Pompano Beach.

I travel to trade Vice Chairman for the Southeast Coral Reef Initiative (SEFCRI) Member of the Coastal Ocean Forum, Pompano Beach Chamber of Commerce, Member Ship Wreck Park Pompano Beach (Lady Luck), Make A Wish Foundation, Wounded Warriors Program and shows across the US promoting Pompano as a Dive and Vacation destination. I would welcome the opportunity to create another successful service for the residents and visitors of Pompano Beach.

**Milton G. Smith III, PBWT President / Secretary**

I have a very diverse background in all aspects of business and managerial skills. Starting in the early 90's at a very young age I was managing million dollars contracts for G&L Fabricators (Steel Fabrication), a very successful family-owned and operated business. The majority of our business was based on awarded proposals to fabricate, build, and erect large steel structures. Most jobs consisted of large wastewater treatment plants, city and state bridge structural work, along with city and state streetscape design and fabrication. All steel structures were built and fabricated in house, then disassembled and taken to the job site to be installed. G&L Fabrication fabricated, assembled, disassembled, delivered and rebuilt most of the work. This position allowed me the opportunity to enhance my training and education as a manager in a very tough industry. It also allowed me to enhance my communication skills and interact with people of different educational backgrounds (i.e., structural engineers, etc.).

In 2000, I joined the Baltimore City Police Department. I spent 14 years with the City of Baltimore. During my tenure with the department, I had the opportunity to work with and be a part of several different organizations. A majority of my career was spent in specialized units as a Detective and Task Force Officer. As a Task Force Officer, I worked within the federal system as a DEA Task Force Officer. In this position I would investigate large multi-jurisdictional criminal organizations. While working with the DEA as a task force officer I had many successful opportunities to organize, submit, and present proposals and work with Organized Crime Drug Enforcement Task Force (OCDETF). OCDETF is a panel of high-ranking federal officials. This panel was set in place to



approve legitimacy and monetary funding for large multi-jurisdictional and multi country criminal investigations. Also during my tenure I had the opportunity to successfully submit and conduct several Title III (Wire Tap) investigations.

During both OCDETF and Title III investigations, I was responsible for the supervision and execution of all activities associated with these investigations. This included managing and supervising immediate agents and officers assigned to the investigation along with daily analysis, execution plans, and funding budgets. I also had to form strong relationships with other state, federal, and local law enforcement agencies, as well as supervise and analyze the information, which they were providing. After all information from the investigation was gathered and analyzed, different phases of the investigation had to be organized and implemented to dismantle the investigation and target. I was responsible for safety briefings, with each and every group involved in these investigations. These meetings and briefings were essential to the safety and survival of every person involved in the physical execution of the investigation.

I also had the opportunity to work in an undercover capacity for both local, state and federal investigations. These tasks included infiltrating criminal organizations to gather criminal intelligence on large-scale drug organizations. Some of the operations included but were not limited to large-scale narcotic purchases, illegal firearm purchases, and contract killings.

I finished my career in the Violent Repeat Offenders (VRO) unit as a detective. In this unit we would receive a weekly or monthly update of the city and states most violent repeat offenders. At this point, we would select an individual and begin to build a criminal case. Working closely with federal prosecutors, after a case was built, we would indict individuals and ultimately succeed on gaining longer prison sentences for these violent repeat offenders. In April of 2011, I resigned from the Baltimore City Police Department and moved to Florida.

Although I have always been on the water recreationally, I began to seek a career in the industry. Prior to leaving Baltimore, Maryland, I attended the Annapolis School of Seamanship. I graduated with my master 100 ton certification, assistant towing endorsement and CPR. Lacking sea service time for a larger tonnage merchant mariner credential I began to work with the Fort Lauderdale Water Taxi as an unlicensed mate to enhance my training and education in the maritime world. As an unlicensed mate I was tasked with all aspects of the vessel, along with passenger and vessel safety and security. These tasks also included everything from securing lines, money management and ticket sales to narrated tours. After acquiring my sea time for my United States Coast Guard merchant mariner credentials I took a leave of absence with water taxi to explore other options in the industry.

I took a job with a commercial dredging company as a licensed 100-ton captain. My duties with this company were to maintain and safely operate a push tugboat and barge. As captain of the vessel it was my duty to supervise, barge deck crew, know and abide by all OSHA and Coast Guard rules and regulations as they pertain to my position and vessel, and safely navigate vessels and barges, ranging in size from 70' to 110', through close quarter situations and all navigable operating waterways. After a year with the company, my fiancé and I had our first child, which swayed me to return home. Once back home I began work again, as a captain for Fort Lauderdale Water Taxi. My duties included supervising all deck crew, engine and log book accuracy, maintaining a safe and clean work environment, narrated tours, problem solving both passenger complaints and issues and dealing with boat mechanical failures and issues. This position also required managing crew and maintaining their safety. I was ultimately assigned as a training captain on a 65' vessel for water taxi. As a training captain my responsibility was to train new hires and employees to properly and safely handle the vessel, and make sound judgements to whether a trainee was proficient enough to handle the vessel on their own. I would train them in trouble shooting electrical and engine issues and malfunction, as well as incidents involving passengers and crew. I would also show them how to properly approach and dock the vessel.

While working with Fort Lauderdale Water Taxi, I did subcontract work as a licensed captain for the following vessels: Serenity III dinner charter yacht, based in Pompano Beach; Musette 120' (dinner boat located in Fort Lauderdale), and Musette II (75' dinner yacht also located in Fort Lauderdale).

I currently hold a 200-ton masters merchant mariner credential with an impeccable service record. I have also received written permission from the United States Coast Guard to test for my 500-ton merchant mariner credentials. Since moving back to South Florida, my background and certifications in the maritime industry has grown significantly. I strongly believe in education and training in whatever it is you do. I have attended over 7 months of training from the Maritime Professional Training facility located in Fort Lauderdale Florida. From this education and training, I have received over 10 endorsements and certificates for my merchant mariner credentials and I continue to enhance my training and education daily.

### **Approach and Operations**

PBWT has looked at several different technical approaches to providing a water taxi service to the City of Pompano Beach. As shown in the "Route Schedule" section (page X), we anticipate the water taxi to run from "Stop 1" (Hillsboro Inlet Park) to "Stop11" (Bokampers, Fort Lauderdale). At the beginning, Hillsboro Inlet Park would be the farthest point North for the Pompano Beach Water Taxi service with Bokampers being the farthest point South. In the "Route Map and Schedule" section (see page XX), you will find the detailed stop times of each vessel to each water taxi stop. Note we continue to work with other potential partners and look forward to adding other stops such as Cap's Place/Nauti Dawg in Lighthouse Point. Although this stop will be north of the boundaries of the City of Pompano Beach, we believe this stop is worth serious consideration and will help connect with highly visible sights. The same applies to stops south of Pompano Beach and into Lauderdale-by-the-Sea and Fort Lauderdale. Ultimately, the goal is to create a seamless service connecting to the south (as far as Hollywood Beach) and north (to Deerfield Beach).

Currently, there are 11 suitable water taxi stops to start this service. As the program progresses, we plan to evaluate the ridership at various locations and may suggest adding and/or removing stops. Two vessels will run simultaneously in opposite directions (Please refer to "Vessels" section on page 15 for details on these vessels.). Both vessels will start at designated stops and travel in opposite directions. This is recommended to minimize wait time and pick up times at each stop. The vessels will stop at every stop North and South. For example, a vessel traveling from stop 1 to 11, will stop at stops 1, 2, 3...all the way to stop 11. Once the vessel reaches stop 11, it will return to stop 1, stopping at every stop on its route back in reverse order 10, 9, 8...all the way back to 1.

The marketing strategy for the Water Taxi service includes promoting the service through social media (i.e., Facebook, Twitter, Linked-In, etc.), radio, newspapers (sun-Sentinel, Pelican News, Palm Beach Post, Miami Herald, etc.), and even television. In addition, we plan to reach out to local businesses, connect with the City's Chamber of Commerce, speak with all travel agencies, hotels and retail shops around. We will tentatively make an initial investment of \$35,500 in marketing avenues the first year. Other paths we plan to utilize include websites, brochures, signage, ad specialties, cellular phone applications, and billboards. From time to time, we will explore all options to ensure success and attract the largest number of riders. That said, we believe our marketing strategy will not only benefit the water taxi service directly. We also believe our outreach plan will produce positive results for local businesses as well. We plan to use televisions on each vessel. We would like to use these televisions to sell advertising space to local businesses and intend to utilize the equipment to incorporate key features of the water taxi service and to bring the City of Pompano Beach to passengers. We plan to promote various activities throughout the City such as concerts (at the Amp, Cultural Center, etc.), classes (at the Ali Building, BaCA, etc.), shows, civic programs, etc.

A cellular phone application will be made available for passengers to download. After passengers have downloaded the application to their phone, it can be utilized to show where the service vessels are in the route and estimated times of arrival to each stop.

The GPS system available with the service can also be used for office staff to answer customer questions related to the next available vessel to and from any stop.

Offering a concession service to riders will be entertained. We believe this would be a great add-on to the service. The idea for a concession service on the water taxi would consist of small snacks (i.e., chips, crackers, candy bars, variety of sodas, water, etc.). We plan to add this service in the future. At the time of implementation, we plan to offer bottled water at a reasonable price.

We have discussed the service with several local and neighboring city agencies and businesses. The businesses that we have reached out to in the City of Pompano Beach that have shown an interest in partnering with the water taxis service are as follows: the Hillsboro Lighthouse, Sands Harbor Resort and Marina, Wyndham Sea Gardens and Royal Vista, Marriott Hotel Pompano Beach, Seaside Grill, Sunset Catch, Ebb Tide Resorts, to name a few. There are several other businesses wishing to participate, but they would like to see the service being implemented before making any commitments.

As for the neighboring City of Lauderdale-By-The-Sea, we have letters of intent from the following businesses: City of Lauderdale-By-The-Sea, Port Royale Residences including The Tower at Port Royale [230 units], Mill Creek - Modera Apartments [553 units], and Waterton Properties [550 units], and Benihana's Restaurant. In addition, Fort Lauderdale businesses have also been very receptive to participating in the program. Although we are only connecting this service to the North end of Fort Lauderdale, several businesses have shown a great deal of interest. At this time, we have received a letter of interest from Bokampers, located just north of Oakland Park Boulevard. This stop will be the southernmost farthest stop and serve as the connecting point to Fort Lauderdale's Water Taxi service.

## **Pricing**

The anticipated rates for riders of the water taxi service were evaluated in several different ways. Our plan was to make sure the price point of each ticket was acceptable and affordable to every customer. We also needed the price point to help our service to be sustainable for the long haul. Below is a breakdown of the anticipated ticket pricing. When analyzing and adjusting ticket pricing, we looked at current running water taxis throughout the state of Florida\* to ensure our proposed pricing would be in line with other similar service providers:

### **Local Ticket Pricing**

Adult - \$ 20.00

Children - \$ 12.00

Pompano Beach Residents (Identification required at time of purchase) \$15.00

Military/LEO/Seniors - \$ 15.00

Annual Passes - \$ 200

Group Rates (price subject to group size and negotiated at time of purchase)

Each ticket allows unlimited boarding all day from any stop

Please confirm the following (numbers are just guesses):

\*Note (most of the following are based around a "Tour" not a "Taxi" service):

Below are prices charged in other Cities for similar water taxi service:

Fort Lauderdale - \$26.00

Jacksonville - \$20.00 (all day) - \$10.00 one-way

Jupiter – starts at \$32.00

Tampa - \$20.00

Miami - \$15.00 (one-way) - \$30.00 (round trip) – Yellow Route

\$20.00 (one-way) - \$40.00 (round trip) – Green Route

## **Vessels**

Pompano Beach Water Taxi Inc. is anticipating the use of two vessels to begin this service. The first of the two vessels will be as follows:

**1990 Aluminum Hull Passenger Inspected Vessel** COI (Coast Guard Inspected) for 40 paying passengers and 2 crew (see Exhibit "A"). This vessel is similar to a Skipperliner. If only 0-24 paying passengers are on board, then the vessel need only a master to operate; if 25-40 paying passengers are on board, it requires a master and a mate to operate. This vessel is currently Coast Guard-Inspected and certified to carry 40 paying passengers (max.). This vessel is also ADA compliant with a current Coast Guard Certification of Inspection valid until September 2021. The vessel features an enclosed cabin with several windows to give riders an unobstructed view of passing scenery. It also has a large bathroom, seating to accommodate 49 passengers, 100-gallon fresh water tank, 100-gallon holding tank, and 2 stainless steel fuel tanks. This vessel is equipped with a 3208 caterpillar inboard diesel with direct drive engine. This vessel has a cruising speed of 8 knots with a maximum speed of 10 knots. At minimal or low speeds, this vessel will burn 4 gallons of diesel per hour. A very important feature with this vessel is the push rails built into the front of the vessel. This gives us the ability to dock and/or bow in at docks. This is very beneficial when having limited dock space at certain locations. It also features a side entrance for side two docking (marine term used to dictate how the captain will dock a boat or how a boat is directed into a slip for docking purposes). With the ability to pull into a dock, side two or bow in, makes every projected stop accessible with minimal dock space.

Vessel two to be used will be as follows:

**1985 Fiberglass hull passenger inspected vessel** COI (Coast Guard Inspected) for 44 paying passengers and 2 crew members (see Exhibit "B"). The vessel was made by Willard. This vessel requires a master and mate to operate. This vessel is also ADA compliant. The vessel features a large canopy to protect riders from the elements as well

as gives them a 360 degree unobstructed view of passing scenery. The vessel is equipped with a 671 Detroit inboard direct drive diesel reduction propulsion. This vessel has a cruising speed of 8 knots with a maximum speed of 10 knots. At minimal to low speed, this vessel will burn 4 gallons of diesel per hour. A very important feature with this vessel is the push rails built into the front of the vessel. This gives the operator the ability to dock and/or bow in at a dock. This is very beneficial when having limited dock space at a certain location. It also features a side entrance for side two docking. With the ability to pull into a dock, side two or bow in, it makes every projected stop accessible with minimal dock space.

Logos, colors and designs proposed to be used for our vessels are based on City standards and copyrighted by the City of Pompano Beach and to be approved by the city. PBWT will also adhere to any and all standards set within the "Pompano Beach Brand Standards Manual" as it refers to specific paint pallets and branding material. Should the City and PBWT discontinue the operation of the Pompano Beach Water Taxi, PBWT shall be allowed to re-paint the vessels and discontinue the use of any City of Pompano Beach approved logos.

## **Route Schedule**

PBWT has designed a schedule that we feel best fits the initial implementation of a water taxi service in the City of Pompano Beach. We believe that this initial route / service map best suits the City of Pompano Beach and its residents and visitors. In this section, we have included a tentative time schedule each vessel is expected to stop at a designated stop. These times are subject to change and are not exact times and may vary due to excessive maritime traffic, number of passengers boarding or getting off, etc. There are 11 stops included in the service route as follows (new stops may be added at a later date subject to demand) (See Exhibit "C" and Exhibit "D"):

1. Hillsboro Park Inlet
2. NE 16th Street



3. Alsdorf Park\*
4. Officer Scott A. Winter Park
5. Riverside Park
6. Sands Harbor and Marina
7. St. Martin Episcopal Church
8. Indian Mound Park
9. Port Royale\*\*
10. Benihana
11. Bokampers

Notes:

\*Whistle Stop - not a scheduled stop (by request only).

\*\*Whistle Stop - This is a private Condominium. Owners and approved guest(s) pick up and drop off only.

Additional Notes:

Madison's Steakhouse, Cap's Place/Nauti Dawg, Houston's Restaurant/Harbor Village/The Foundry will be considered as potential stops if and when vessels are authorized to dock, adequate dockage space exists, and there is adequate ridership demand.

## **Time Schedule**

The (exact) time schedule that a water taxi will be at each stop will not be available to the public, however each master and crew member will have an exact time they will need to be at each stop. Signage will be used to inform the public how often a water taxi will arrive at each stop (i.e., every 30 minutes, every 45 minutes etc.). Signage at each stop will display the first and last boat of the day with an average wait time between boats. The public will also be able to call the water taxi's provided phone number and be advised when the next vessel will be at a certain stop. Customers will also be able to view our cell phone application for service details and vessel location.

The tentative time schedule for each stop will be as follows:

(These stops are subject to changes, modifications, and removal from schedule)

#### **VESSEL 1**

Stop 1 Hillsboro Park Inlet: 10:00am / 1:30pm / 5:00pm / 8:30pm  
Stop 2 NE 16th Street: 10:15am / 1:15pm / 1:45pm / 4:44pm / 5:15pm / 8:15pm / 8:45pm  
Stop 3 Alsdorf Park: 10:20am / 1:10pm / 1:50pm / 4:40pm / 5:20pm / 8:10pm / 8:50pm  
Stop 4 Officer Scott A. Winter Park: 10:25am / 1:05pm / 1:55pm / 4:35pm / 5:25pm / 8:05pm / 8:55pm  
Stop 5 Riverside Park: 10:35am / 12:55pm / 2:05pm / 4:25pm / 5:35pm / 7:55pm / 9:05pm  
Stop 6 Sands Harbor and Marina: 10:40am / 12:50pm / 2:10pm / 4:20pm / 5:40pm / 7:50pm / 9:10pm  
Stop 7 St. Martin Episcopal Church: 10:50am / 12:40pm / 2:20pm / 4:10pm / 5:50pm / 7:40pm / 9:20pm  
Stop 8 Indian Mound Park: 11:00am / 12:30pm / 2:30pm / 4:00pm / 6:00pm / 7:30pm / 9:30pm  
Stop 9 Port Royale: 11:15am / 12:15pm / 2:45pm / 3:45pm / 6:15pm / 7:15pm / 9:45pm  
Stop 10 Benihana's: 11:30am / 12:00pm / 3:00pm / 3:30pm / 6:30pm / 7:00pm / 10:00pm  
Stop 11 Bokampers: 11:45am / 3:15pm / 6:45pm / 10:15pm

#### **VESSEL 2**

Stop 11 Bokampers: 10:00am / 1:30pm / 5:00pm / 8:30pm  
Stop 10 Benihana's: 10:15am / 1:15pm / 1:45pm / 4:45pm / 5:15pm / 8:15pm / 8:45pm  
Stop 9 Port Royale: 10:30am / 12:55pm / 2:00pm / 4:30pm / 5:30pm / 8:00pm / 9:00pm  
Stop 8 Indian Mound Park: 10:45am / 12:45pm / 2:15pm / 4:15pm / 5:45pm / 7:45pm / 9:15pm  
Stop 7 St Martin Episcopal Church: 10:55am / 12:35pm / 2:25pm / 4:05pm / 5:55pm / 7:35pm / 9:25pm  
Stop 6 Sands Harbor and Marina: 11:05am / 12:25pm / 2:35pm / 3:55pm / 6:05pm / 7:25pm / 9:35pm  
Stop 5 Riverside Park: 11:10am / 12:20pm / 2:40pm / 3:50pm / 6:10pm / 7:20pm / 9:40pm  
Stop 4 Officer Scott A. Winter Park: 11:20am / 12:10pm / 2:50pm / 3:40pm / 6:20pm / 7:10pm / 9:50pm  
Stop 3 Alsdorf Park: 11:25am / 12:05pm / 2:55pm / 3:35pm / 6:25pm / 7:05pm / 9:55pm  
Stop 2 NE 16th Street: 11:30am / 12:00pm / 3:00pm / 3:30pm / 6:30pm / 7:00pm / 10:00pm  
Stop 1 Hillsboro Park Inlet: 11:45am / 3:15pm / 6:45pm / 10:15pm

#### **Daily Stop Time for Each Stop**

**Stop 1:** Hillsboro Inlet Park; 10:00am, 11:45am, 1:30pm, 3:15pm, 5:00pm, 6:45pm, 8:30pm, 10:15pm  
**Stop 2:** NE 16th Street; 10:15am, 11:30am, 12:00pm, 1:15pm, 1:45pm, 3:00pm, 3:30pm, 4:44pm, 5:15pm, 6:30 pm, 7:00pm, 8:15pm, 8:45pm, 10:00pm  
**Stop 3:** Alsdorf Park; 10:20am, 11:25am, 12:05pm, 1:10pm, 1:50pm, 2:55pm, 3:35pm, 4:40pm, 5:20pm, 6:25pm, 7:05pm, 8:10pm, 8:50pm, 9:55pm

**Stop 4:** Officer Scott A Winter Park; 10:25am, 11:20am, 12:10pm, 1:05pm, 1:55pm, 2:50pm, 3:40pm, 4:35pm, 5:25pm, 6:20pm, 7:10pm, 8:05pm, 8:55pm, 9:50pm

**Stop 5:** Riverside Park; 10:35am, 11:10am, 12:20pm, 12:55pm, 2:05pm, 2:40pm, 3:50pm, 4:25pm, 5:35pm, 6:10pm, 7:20pm, 9:05pm, 9:40pm

**Stop 6:** Sands Harbor and Marina; 10:40am, 11:05am, 12:25pm, 12:50pm, 2:10pm, 2:35pm, 3:55pm, 4:20pm, 5:40pm, 6:05pm, 7:25pm, 7:50pm, 9:10pm, 9:35pm

**Stop 7:** St. Martin Episcopal Church; 10:50am, 10:55am, 12:35pm, 12:40pm, 2:20pm, 2:25pm, 4:05pm, 4:10pm, 5:50pm, 5:55pm, 7:35pm, 7:40pm, 9:20pm, 9:25pm

**Stop 8:** Indian Mound Park; 10:45am, 11:00am, 12:30pm, 12:45pm, 2:15pm, 4:00pm, 4:15pm, 5:45pm, 6:00pm, 7:30pm, 7:45pm, 9:15pm, 9:30pm

**Stop 9:** Port Royale; 10:30am, 11:15am, 12:15pm, 12:55pm, 2:00pm, 2:45pm, 3:45pm, 4:30pm, 5:30pm, 6:15pm, 7:15pm, 8:00pm, 9:00pm, 9:45pm

**Stop 10:** Benihana's; 10:15am, 11:30am, 12:00pm, 1:15pm, 1:45pm, 3:00pm, 4:45pm, 5:15pm, 6:30pm, 7:00pm, 8:15pm, 8:45pm, 10:00pm

**Stop 11:** Bokampers; 10:00am, 11:45am, 1:30pm, 3:15pm, 5:00pm, 6:45pm, 8:30pm, 10:15pm

## **Project Schedule**

PBWT would like to implement a running water taxi service into the City of Pompano Beach immediately following city negotiations. Once a commitment for this service has been made, we would like to begin with any City-related permit requirements. We believe this will help expedite the implementation process. Already having two available vessels that will be dedicated to this service, we would anticipate implementation of the water taxi service almost immediately after city approval and paperwork. It should be known that there will need to be lead time allowed for the design and painting of the vessels (once the logo and design of the vessels are approved by the city). We are looking at two different options for this process. One option would be to paint the vessels. The other option would be to have the vessels wrapped in vinyl. While we do not anticipate any delays, and plan to implement service in accordance with the schedule shown on page XXX, unforeseen issues may arise that could delay the start of the service. Nonetheless, we are committed to work diligently and expeditiously to avoid any unnecessary delays as best as possible. PBWT would like to see a tentative service start date no later than July 2017.

## Budget Proposal

PBWT anticipated costs to run the service to be \$526,244.00 per year. Based on these costs, an estimated 96 tickets per day will need to be sold for the water taxi service to break even. The daily ticket sales were based on an average ticket cost of \$15.00 dollars. A breakdown of the aforementioned costs is as follows:

Employees	\$278,999.00
Fixed Overhead Office Cost	\$210,660.00
<u>Marketing Communications</u>	<u>\$36,585.00</u>
Total	\$526,244.00

See **Table "I"** for Employee and Operating Costs as well as anticipated marketing expenses.

### **Ticket Sales (See Financial Analysis)**

**First year** sales are based on approximately 30 paid customers a day at an average ticket sale per customer of \$15 dollars. This equates to \$450 dollars a day in ticket sales rendering a yearly revenue total of \$163,800. **Second Year** sales are estimated with a 25% increase in customer base (38 customers) at an average ticket sales per customer of \$15 dollars. This equates to \$570 dollars a day in ticket sales, with a yearly revenue total of \$207,480. **Third year** sales are projected to have a 30% increase in customers' use of the service against the base year one (40 customers) at an average ticket sales per customer of \$15 dollars. This equates to \$600 dollars a day in ticket sales, with yearly revenues of \$ 218,400. **Forth year** sales are projected to have a 50% increase in customer base compared to year one (45 customers) at an average ticket sale per customer of \$15 dollars. This would result in daily ticket sales of \$675 dollars and yearly revenues of \$245,700. Lastly, **Fifth Year** sales are projected to have a 65% increase in customer base compared to year one (50 customers). Using the same ticket rate per

customer of \$15 dollars would result in \$750 dollars a day in ticket sales, with a yearly total of \$ 273,000.

### **Special Promotions**

We anticipate teaming with local hotels and timeshares to promote tickets pre-sale. We do not see this being fully implemented within the first two years. However, we plan to start the discussion with these corporations, so in year three this promotion (tickets pre-sale) can be in place. Our anticipated selling cost is estimated at \$20 dollars for a pair of tickets. With projected ticket sales to start at 200 pre-sold tickets a month with an estimated revenue of \$4,000 dollars a month and a yearly total of \$48,000. By year five, we anticipate sales' growth to reach 400 tickets a month with an estimated monthly revenue of \$8,000 dollars and a yearly total income of \$96,000 dollars.

### **Food/Drinks**

Water will be offered at \$2.00 per bottle (first year of service). We estimate one bottle of water will be sold for every 10 people that board the vessel(s). Food/snacks may be added to the menu, we have no plans to adding any products at this time. Therefore, projected sales were not included in this proposal. In year 1, we project income of close to \$2,200.

### **Advertising**

Estimates are based on a 1% participation for every 100 people that view ad specific information of our service. Each participant would make a \$15 dollar purchase based on exposure to signage, billboards, website, promotional ads, social media, etc. Assuming a daily audience of 5000 people a day the estimated revenues generated from advertising could be as much as \$750 dollars a day with an anticipated yearly total of \$273,000. This calculation may change from year to year but the numbers are realistic and we feel comfortable to carry such average revenue through our five-year projection (See Revenue and Expenses Projections - Table II for details).

## **Customer Payment Methods**

Customers will have a number of options to purchase water taxi tickets. The easiest and most efficient way would be to buy them directly on board the vessels. Each boat will be equipped with an iPad and credit card swiping services. Boat operators will carry water taxi paper tickets. Crew members will be trained on ticketing procedures and money management. A customer will be able to walk onto any boat at any stop, and a crew member will be able to sell tickets directly. Acceptable payments methods on boats include cash and credit cards. The water taxi ticket will serve as receipt of payment. If desired, customers may receive a paper receipt as well.

Customers will have the option to purchase tickets from the water taxi office located at 125 N Riverside Dr., Pompano Beach, FL 33062. A cellular phone application will be added to the service and will be capable of accepting payment for tickets as well. This service will allow a customer to purchase ticket directly from their cellular phone.

Together with City of Pompano Beach Staff we plan to evaluate the merits of implementing ticket kiosks at designated water taxi stops throughout the water taxi route. These kiosks will be unmanned and computerized, giving customers the option to buy tickets directly from the kiosk using cash or credit cards. Ticket kiosks would need to be custom tailored to fit the service. The initial base fee per kiosk starts around \$1,000 dollars with additional fees for maintenance, software upgrades, etc. It is our understanding the kiosk provider may mandate a certain percentage of each ticket sale. To operate these kiosk will require cross training staff on light maintenance, replenishing tickets to the units, and dedicating at least 2 staff members each night to collect cash from each machine. This option will entertained at a later date. In addition, Groupon and other similar promotional discount options have been evaluated for merits. We do not believe these options are suitable to promote and distribute discount tickets. Companies like Groupon require selling tickets at heavily discounted rates (up to 50%, or even more). This would result in lower-than-desirable ticket prices (less than \$15.00). The City may choose to run a special promotion (with Groupon or similar) and PBWT will be happy to honor it.

## **Subsidies**

PBWT is ready to implement this service to the City of Pompano Beach and neighboring cities. We also believe that working directly with the City of Pompano Beach shows our strong commitment to the success and growth of the water taxi service. We believe the City of Pompano Beach recognizes this water taxi service would need support to establish the service and to help it succeed. We believe we have put together a proposal that shows merit and financial sustainability. This service being new to the residents and visitors of Pompano Beach will need time to become an established, branded and successful venture. Although implementing this service during the summer season may not be suitable to collect pertinent ridership data, the ability to start ahead of planned redevelopment near the beach will assist us to determine sustainability and price points for this service.

We respectfully ask the City of Pompano Beach to review the following details for merit and consideration of a subsidy as it relates to this service and the interest of the City of Pompano Beach. These items are broken down into item, monthly fees, and yearly costs. We are looking at this as the city will eventually be building public docking facilities that the city would like this service to utilize. There are also City-owned parks we would like to utilize that need modification for accessibility. PBWT would like to work with the city to purchase "equipment," more specifically loading ramps that will comply with ADA regulations and standards, push rails, and gates. With regards to docking and storing our vessels, we wish to request the City of Pompano Beach to provide a docking station on City-owned dockage space. In addition, we would like exclusive rights to stop at all City-owned and designated water taxi docks. This means that no other water taxi service, charter service and/or commercial maritime business could utilize these facilities without a written consent from PBWT. This would limit our firm's liability. We respectfully request our contract to include a clause that would allow the owner(s) of PBWT to sell or negotiate the transfer and sale of interests in any and all contracts with the City, with the City's consent, if and only if the business were to be sold or bought out. We respectfully request a subsidized monthly draw from the City for the first year of the contract in the sum of

\$11,866.96 including a \$199.96 monthly stipend for a mobile application by TSO Mobile (see Exhibit "E"). After the first year, the monthly subsidy is reduced as follows: Year 2, \$8,226.92; Year 3, \$7,316.92; Year 4, \$5,041.92; and, Year 5, \$2,766.92. Subsidies after Year 5 will be discontinued. We have estimated the business needs to sell 96 tickets a day to break even at the end of the first year and the following 4 years. In order for the business to be sustainable, revenues of \$1500 a day for 364 days of the year will need to be realized. Mortgages on each of our proposed vessels will be \$1500 per month for 5 years. The combined mortgage will be \$3,000 per month for 5 years. The business has to generate at minimum \$526,244 a year to break even every year. With requested subsidies, this number drops to \$383,840. As a result, daily sales of 70 tickets would be necessary to maintain sustainability and reach a break-even point. That said, anticipated revenue has not been our main focus. Our main focus is trying to find ways to maximize daily ticket sales. We hope that we can secure pre-ticket sales with different hotels in the area but most businesses are on a "wait-and-see attitude." They want to see this service implemented and doing well before making investments with the company such as promotional pre-ticket sales. As for food and drinks, we will evaluate merits of this service and may propose implementation to the City at a later date. Our subsidy request is based on the following expenses:

**Fuel:**

Monthly Cost	Annual Total
\$ 8,600	\$103,200

**Docking:**

Monthly Cost	Annual Total
\$ 3,000	\$ 36,000

**Total Subsidy Amount:**

Monthly	Annual Total
\$ 11,667	\$ 140,000



Figures are based on a 364-day a year service plan. Figures are also based on a subsidy amount of \$142,403.52 per year (decreasing every year thereafter as shown on Table II, below) with a \$199.96 monthly stipend for a mobile application.

<b>Revenue and Expenses Projections - Table II</b>					
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Water Taxi Annual Expenses	\$526,244	\$526,244	\$526,244	\$526,244	\$526,244

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Itemized Revenues					
Ticket Sales	\$163,800	\$207,480	\$218,400	\$245,700	\$273,000
Water Bottles	\$2,184	\$2,912	\$2,912	\$3,500	\$3,640
City Subsidy	\$142,403	\$98,723	\$87,803	\$60,503	\$33,203
Special Promotions	\$0	\$0	\$48,000	\$48,000	\$96,000
Subtotal	\$308,387	\$309,115	\$357,115	\$357,703	\$405,843

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Shortage	\$217,857	\$217,129	\$169,129	\$168,541	\$120,401
Estimated Profit	\$55,143	\$55,871	\$103,871	\$104,459	\$152,599
Subtotal	\$273,000	\$273,000	\$273,000	\$273,000	\$273,000

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Other Sources of Revenue					
Advertising	\$273,000	\$273,000	\$273,000	\$273,000	\$273,000

Losses/Gains	\$0	\$0	\$0	\$0	\$0
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**Note:** Year 5 requested subsidy is the last subsidy required.

Notwithstanding the above described expenses and allocations, PBWT reserves the right to use requested subsidy to offset any and all expenses.

### **Equipment Needs – Water Taxi Stations Modifications**

The City will need to modify access to some proposed stations. Modifications are not considered significant (i.e., removal of existing fences, cutting open access gates,

mountable ADA ramps, etc.). Costs for these items have not been estimated. The following is a list of desired repairs/modifications by station.

**Stop Location - Hillsboro Inlet**

8'-long of 2"x6" wood reinforcement on existing dock (in between pilings to protect dock Aluminum gate and/or access gate; commercial duty rubber D-Rail (to prevent concrete wear)

**Stop Location - NE16th Street**

Aluminum gate and/or access gate; commercial duty rubber D-rail (to prevent concrete wear)

**Stop Location - Alsdorf Park**

8'-long of 2"x6" wood reinforcement on existing dock (in between pilings to protect dock and boat)

**Stop Location - Officer Scott A. Winter Park**

Aluminum gate and/or access gate; commercial duty rubber D-rail (to prevent concrete wear)

**Stop Location - Riverside Park**

Aluminum gate and/or access gate; commercial duty rubber D-rail (to prevent concrete wear)

**Stop Location - Indian Mound Park**

Aluminum gate and/or access gate; commercial duty rubber D-rail (to prevent concrete wear)

Signage should also be installed at each stop identifying the service and stop number. The City ought to consider installing lights at each station, if possible. Nonetheless, each vessel will be equipped with take-down lights to illuminate each dock at night. We wish to request that each City-owned dock have commercial grade cleats placed into each docking station/dock. Also, the City should own and have available (on demand) a small floating utility dock, usually 5'x6' or 6'x4' (made of heavy duty foam), typically used for repairs. Pompano Beach Water Taxi, Inc., should have access to this small floating dock as needed with proper notice, perhaps due to damage


to seawalls, etc. One (1) aluminum gangway for wheelchair accessibility should be supplied at each station, if necessary. We will provide plastic steps for boarding and discharge. We also plan to have adequate equipment to assist handicapped individuals to board the boat and to assist getting off.

## Additional Information

The residential population in the City of Pompano Beach is 107,762 with annual tourists reaching 416,000. There are 69 Apartment complexes in Pompano Beach with approximately 10,000 units, combined. 100 travel agencies with 5 large national travel agencies are servicing the City. There are also 250 real estate agents in the City of Pompano Beach. These agents can help spread the word and use the service as a selling point.

## Sample Pompano Beach Water Taxi Brochure

**Pompano Beach  
Water Taxi Ticket  
pricing :**



**Water Taxi of  
Pompano Beach  
555-555-5555**

### Pompano Beach Water Taxi Stops and Attraction

Stop 1. Hillsboro Inlet Park	Stop 2. NE 16th Street
Stop 3. Alsdorf Park (Whistle Stop) ~ Parking	Stop 4. Officer Scott A. Winters Memorial Park ~ Marriott
Stop 5. Riverside Park ~ City Parking Garage ~ Beach Stop ~ Shops and Restaurants ~ Fishing Pier	Stop 6. Sands Harbor Resort and Marina ~ Sands Harbor Resort ~ South Florida Diving Headquarter ~ Shops and Restaurants
Stop 7. St. Martin Episcopal Church ~ Parking	Stop 8. Wyndham Santa Barbara ~ Wyndham Resort ~ Serenity Yacht Cruises
Stop 9. Port Royale ~ Condominiums	Stop 10. Benihana ~ Benihana Restaurant
Stop 11. Bokampers ~ Bokampers Bar and grill ~ Shops and Restaurants	