

## MEMORANDUM

July 13, 2017

TO: City Commission

THRU: Greg Harrison, City Manager

FROM: Horacio Danovich, CIP Manager



### Issue

Staff is seeking City Commission approval of an Ordinance to enter into a License Agreement (see Agreement) with Pompano Beach Water Taxi, Inc. (PBWT). The Agreement is necessary to authorize the implementation of a Water Taxi Service in the City. PBWT is seeking a subsidy of \$422,635.00 spread out over five (5) years starting at \$142,403.00 in year one and decreasing to \$33,203.00 in year five. No additional subsidies are requested.

### Recommendation

Staff recommends Approval of the Ordinance.

### Background

In November 2016, the city advertised a Request for Proposals (RFP) seeking Water Taxi Service providers. The City received one (1) reply. In January 2017, due to the low response and in compliance with statutory requirements, the City re-advertised the RFP. Once again, the City received one (1) proposal. The same company, PBWT, submitted proposals both times. Subsequently, Staff was authorized to negotiate an agreement with PBWT.

Staff, assisted by the City Attorney's Office, has concluded negotiations and has worked diligently to bring forward a suitable Agreement along with all exhibits ("A-C") and backup material (see Appendix). The Agreement would authorize PBWT to run a water taxi service from Cap's Place (Lighthouse Point) to Bokampers (Fort Lauderdale) with multiple stops in Pompano Beach, such as Hillsboro Inlet, NE 12 Street, NE 2 Street, Indian Mound Park, to name a few.

The water taxi service stops were selected due to proximity to desirable destinations (i.e., Pier Street, Marriott Hotel, Wyndham Santa Barbara, etc.). Once the service is operational

and PBWT and Staff have had sufficient data to evaluate ridership, then the circuit can be adjusted and modified. Some stops may be eliminated, others added, etc. The intent is to provide a water taxi service that gives users options to connect to restaurants, hotels and other venues and be able to experience the beauty of navigating the Intracoastal Waterway. Moreover, PBWT and Staff was able to sway Cap's Place and Bokampers to serve as water taxi stops. Cap's Place provides access to Lighthouse Point. The stop will serve to bring residents from that municipality into Pompano Beach. Similarly, Bokampers provides a connectivity to Fort Lauderdale and beyond. This stop will be shared with Fort Lauderdale's Water Taxi Service. As a result, Pompano residents/visitors will be able to go to Downtown Fort Lauderdale. By the same token, Fort Lauderdale residents will have an opportunity to come to Pompano Beach and enjoy our hospitality.

Staff has reviewed the proposal in detail. Considering this would be a new service in Pompano Beach, the requested subsidy felt adequate. A subsidy is requested as an incentive to get the service implemented. Staff believes the subsidy will pave the way to a successful and long-lasting partnership.

Staff recommends approval.