

DATE: APRIL 9, 2025

FROM: COMMUNITY RELATIONS

SUBJECT: RESOLUTION NO. _____ - AGREEMENT BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND HARBOR BREEZE CORP. FOR AS-NEEDED BOAT TOURS

SUMMARY:

Staff requests approval of a three-year Agreement with Harbor Breeze Corp. (Harbor Breeze) to provide boat tours for both the Harbor Department's student/youth programs and the as-needed programs for business-related and occasional community tours. The annual authority for the Agreement is up to \$225,000 with a total not-to-exceed amount of \$675,000 for the entire duration of the Agreement. The City of Los Angeles Harbor Department (Harbor Department) is responsible for payment of expenses incurred under the proposed Agreement.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the City Charter Section 1022, the Harbor Department does not own the required equipment and that the contractor will provide the vessels, as well as the crew;
3. Approve the Agreement for a term of three years for a total not-to-exceed amount of \$675,000;
4. Authorize the Executive Director to execute and the Board Secretary to attest to said agreement for and on behalf of the Board; and
5. Adopt Resolution No. _____.

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DISCUSSION:

Background – The Harbor Department has been providing as-needed boat tours of the Port of Los Angeles (Port) complex to business partners, potential customers and community groups as part of its marketing efforts for more than 20 years. These water-side tours are important for guests to better comprehend the scale of the Port complex, operations and programs. Guests are primarily hosted by Cargo Marketing, Trade Development, and Workforce & Government Affairs Divisions, and include current or potential customers, business partners, and/or legislators. All tour requests aboard the Harbor Breeze vessels are booked together as space permits and are offered on a first-come, first-serve basis, up to 12 tours per month.

Additionally, the Harbor Department provides one-hour tours to student and youth groups from elementary school through university-level participants as part of the educational outreach program. These boat tours have been the cornerstone of the Harbor Department’s robust educational program offerings for more than a decade. Tours are offered three times a day, Monday through Friday.

	BUSINESS DEVELOPMENT GUESTS AND FREE (PUBLIC) HARBOR TOURS			STUDENT AND YOUTH GROUPS		
	TOURS	PASSENGERS	COST	TOURS	PASSENGERS	COST
FY 20/21*	1	20	\$1,500	0	0	\$0
FY 21/22*	32	1,191	\$40,825	1	23	\$450
FY 22/23	92	5,167	\$106,700	74	5,284	\$34,200
FY 23/24*	110	4,375	\$126,145	133	9,279	\$63,900
FY 24/25**	90	4,441	\$91,955	85	5,991	\$39,600
TOTAL	325	15,194	\$367,125	293	20,577	\$138,150

*Free (Public) Harbor Tours *not* scheduled

Paid invoices up to **March 2025

The Harbor Department also provides one-hour tours for the community once a year. After a brief hiatus following the pandemic, in July 2022, the Harbor Department resumed hosting its Free Harbor Boat Tour event in San Pedro. The Harbor Department now hosts the free tours during the month of September in both San Pedro and Wilmington.

FREE HARBOR TOURS	TOURS	PASSENGERS	COST
July 30, 2022	17	2,483	\$14,450
September 14, 2024	22	2,087	\$18,700
TOTAL	39	4,570	\$33,150

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The total not-to-exceed amount under the prior Agreement 20-3741 was \$585,000. As of March 31, 2025, the Harbor Department has incurred \$495,675 in expenses under that agreement to conduct 618 tours, hosting 35,771 business development guests, community members, and student youth group participants.

Selection Process – Harbor Breeze was selected through a Request for Proposals (RFP) process. The RFP was issued on January 9, 2025, and was viewed 12 times, and downloaded ten (10) times. The RFP review panel consisted of Harbor Department staff from the Community Relations and Workforce & Government Affairs divisions. Only one firm responded with a proposal because there are a limited number of companies offering that required specialized services within the Port of Los Angeles. Harbor Breeze was selected based on its offering of a variety of vessels which can be utilized – all vessels in their fleet can accommodate up to 138 passengers or more, as well as showing a commitment to the environment through a variety of operational programs including having vessels with state-of-the-art emissions controls.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of an Agreement between the Harbor Department and Harbor Breeze Corp. for boat tour services on behalf of the Harbor Department, which is an activity involving continuing administrative activities. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Class 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed three-year Agreement authorizes a total not-to-exceed amount of \$675,000. It is anticipated that the funds would be expended as follows:

FY 2024-25 (Remaining)	FY 2025-26	FY 2026-27	FY 2027-28 (Partial)
\$20,000	\$225,000	\$225,000	\$205,000

FY 2024-25 funding in the amount of \$20,000 is available within account 521020 (Governmental/Community Promotional), 20200 (Community Relations). Funds in the amount of \$225,000 have been requested for the FY 2025/26 budget in Account 521020 (Governmental/Community Promotional), 20200 (Community Relations), Project 60000003. The Harbor Department’s financial commitments for the proposed Agreement beyond the current fiscal year are contingent upon approval of funds by the Board as part of the annual budget adoption process. If future fiscal year funds are not appropriated by

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the Board for the work in any subsequent fiscal year as by the Agreement, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligation previously incurred.

CITY ATTORNEY:

The Office of the City Attorney has prepared and approved the proposed Agreement as to form and legality.

TRANSMITTAL:

1. Agreement with Harbor Breeze Corp.

FIS Approval: 95
CA Approval: 50



CECILIA MORENO
Director of Community Relations



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Deputy Executive Director of
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APPROVED:

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