



DATE: APRIL 14, 2020

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 cost for the combined boat tour programs agreement is not-to-exceed \$195,000 with a total not-to-exceed amount of \$585,000 for the duration of the agreement. The 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 \$585,000;
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 twenty 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 the Business Development team and include current or potential customers, business partners, and/or legislators. In FY 2019, there were 149 groups aboard 67 tours carrying a total of 3,642 guests. As of March 13, 2020, there have been 114 groups aboard 51 tours carrying a total of 2,768 guests for FY 2020. On March 18, 2020, due to the COVID-19 outbreak, the Community Relations Division cancelled all as-needed boat tours through May 21, 2020, including the World Trade Week Boat Tours, which are free to the community. Scheduling will return when it is considered safe to do so.

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. In FY 2019, there were 159 student/youth tours (202 groups) with 14,145 participants. As of March 6, 2020, there have been 56 student/youth tours (100 groups) with 4,494 participants for FY 2020. On March 13, 2020, due to the COVID-19 outbreak, the Community Relations Division cancelled educational boat tours for the remaining school year term, expecting to resume scheduling in late August 2020.

The total not-to-exceed amount under the prior Agreement 17-3490 was \$250,000 per year. In FY 2019, the Harbor Department incurred \$173,680 in expenses under the prior Agreement 17-3490 to conduct 226 tours hosting 351 groups of 17,787 business development guests and student youth group participants.

FY 2019	Tours	Groups	Participants/Guests	Cost
Business Development Guests	67	149	3,642	\$96,280
Student and Youth Groups	159	202	14,145	\$77,400
Total FY 2019	226	351	17,787	\$173,680

FYTD – As of March 2020	Tours	Groups	Participants/Guests	Cost
Business Development Guests	51	114	2,768	\$67,080*
Student and Youth Groups	56	100	4,494	\$27,350*
Total FYTD 2020	107	214	7,262	\$94,430*

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*Paid invoices up to February 2020

All tour requests aboard the Harbor Breeze vessel are booked together as space permits. Tours are offered twice a week from April through October, and available once a week on a first come, first serve basis from November through March. If seven days prior to the tour date there are 20 or fewer people booked for the tour, the tour is canceled. There is no charge to the Harbor Department for cancellations made 24-hours in advance with Harbor Breeze.

Selection Process – Harbor Breeze was selected through a Request for Proposals (RFP) process. The RFP was issued on January 28, 2020. The RFP review panel consisted of a staff member from the Cabrillo Marine Aquarium, and Harbor Department staff from the Community Relations Division. Two firms responded with proposals. Harbor Breeze was selected based on its offering a variety of vessels which can be utilized – all eight vessels in their fleet can accommodate up to 138 passengers or more, with one vessel that can accommodate up to 500 passengers – 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 City of Los Angeles Harbor Department and Harbor Breeze Corp. for boat tour services on behalf of the Harbor Department, which is an activity involving continuing administrative and personnel-related 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 \$585,000. It is anticipated that the funds would be expended as follows:

FY 2020-2021	FY 2021-2022	FY 2022-2023
\$195,000	\$195,000	\$195,000

Funds in the amount of \$195,000 have been requested for the FY 2020/21 budget in Account 52040 (Governmental/Community Promotional), 0220 (Community Relations), Program 000. 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 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

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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: 
CA Approval: 



THERESA ADAMS LOPEZ
Director of Community Relations



ARLEY BAKER
Sr. Director of Communications



DAVID LIBATIQUÉ
Deputy Executive Director

APPROVED:

 FOR

EUGENE D. SEROKA
Executive Director

Author: J. Bautista