



Legislation Text

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City of Alexandria, Virginia

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MEMORANDUM

**DATE:** MARCH 19, 2014

**TO:** THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

**FROM:** RASHAD M. YOUNG, CITY MANAGER/s/

**DOCKET TITLE:**

Consideration and Approval of the License Agreement Between the City of Alexandria and the Potomac Riverboat Company, LLC to Provide Water Taxi Service from the City Marina.

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**ISSUE:** Approval of a three-year and nine month license agreement with the Potomac Riverboat Company to operate a Water Taxi Service from the City Marina using the *Commander Jacques*, *Lady Josephine*, and *Miss Sophie*.

**RECOMMENDATION:** That City Council approve and authorize the City Manager to execute the attached three-year and nine month agreement (April 1, 2014 through December 31, 2017) with the Potomac Riverboat Company allowing them to continue to operate a Water Taxi Service from the City Marina using the *Commander Jacques*, *Lady Josephine*, and *Miss Sophie*.

**DISCUSSION:** The Potomac Riverboat Company began operating a Water Taxi Service in the City Marina in April 2007 with a daily route between the City of Alexandria and National Harbor. In 2010, the Potomac Riverboat Company added a route to Washington D.C. to provide Water Taxi Service to Washington Nationals' baseball games, and in August 2013, Potomac Riverboat Company submitted a proposal to the City to add an additional water taxi route between the City of Alexandria and the National Mall, West Basin & Ohio Dr., Washington D.C. In FY 2013, the Potomac Riverboat Company provided Water Taxi Service to 91,916 passengers.

With the proposal to add a new route, the City entered into negotiations with the Potomac Riverboat Company to amend the current agreement to allow for this new service and specifically identify the vessels authorized to provide the water taxi service. The current license agreement identifies the authorized vessels to provide the water taxi service as the *Miss Mallory* and two unnamed vessels.

In addition, the following major points of the proposed license agreement are:

1. Specifically identifies the Water Taxi Service Vessels as the *Commander Jacques*, *Lady Josephine*, and *Miss Sophie*;
2. Provides conditions for the Potomac Riverboat Company to add additional water taxi routes by written notice to the City 90-days in advance of commencement;
3. Aligns the Water Taxi License Agreement term with other license agreements between the City and Potomac Riverboat Company and Polak Steamboat, Inc. by expiring on December 31, 2017;
4. This Agreement on April 1, 2014, replaces the existing agreement between Licensor and Licensee regarding the Water Taxi Service; and
5. Identifies the City's intent to place the right to use some or all of the commercial berths out for competitive bid in or about June 2016, with new licenses commencing on January 1, 2018.

It is staff's understanding that Polak Steamboat, Inc. and Potomac Riverboat Company agree to all terms contained in the proposed license agreement. This license agreement has no impact on the existing agreements with Polak Steamboat, Inc. and the Potomac Riverboat Company providing sightseeing services from the City Marina.

**FISCAL IMPACT:** The license revenue helps offset part of the operating costs of the City in operating the City Marina. The Licensor will pay the City \$9,864 in total expected revenue in calendar year 2014. On January 1, 2015 and each year thereafter the annual license fee Base Amount shall be adjusted by the October to October change in the Consumer Price Index for Urban Wage earners (CPI-U), or an equivalent measure agreed to by the parties.

The City will offer the Potomac Riverboat Company use the City managed trash facility in the Torpedo Factory Condominium building for disposal of trash from the Vessels. If the Potomac Riverboat Company chooses to use this service, they will be billed the cost by the City for that trash service.

**ATTACHMENTS:**

Attachment 1. Water Taxi Service License agreement with the Potomac Riverboat Company

**STAFF:**

Debra Collins, Deputy City Manager

Karen Snow, Assistant City Attorney

James Spengler, Director, Recreation, Parks and Cultural Activities

Jack Browand, Division Chief, Recreation, Parks and Cultural Activities