



COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: Eric Carpenter, City Manager

DATE: March 19, 2025

TITLE: REQUEST FOR APPROVAL TO ISSUE REQUEST FOR QUALIFICATIONS (RFQ)
NO. 2025-284-ND FOR A WATER TAXI SERVICE. (TRANSPORTATION)

RECOMMENDATION

The City Administration ("Administration") recommends that the Mayor and City Commission ("City Commission") authorize the issuance of a Request for Qualifications ("RFQ") for a Water Taxi Service.

BACKGROUND/HISTORY

The City of Miami Beach ("City") has long recognized the potential benefits of waterborne transportation as a sustainable, efficient, and congestion-reducing alternative to traditional road-based transit. To that end, on June 28, 2023, the City Commission adopted Resolution No. 2023-32644, waiving, by 5/7th vote, the formal competitive bidding requirement and accepting the recommendation of the Finance and Economic Resiliency Committee ("FERC" or "Committee"), directing the Administration to (1) negotiate a one (1) year Agreement with Poseidon Ferry LLC ("Poseidon"); (2) identify funding; (3) identify locations where the operation will be conducted; and (4) define the City contribution and fare structure; and further requiring that the final Agreement be subject to approval by the City Commission.

On September 13, 2023, the City Commission adopted Resolution No. 2023-32746, approving the term sheet reflecting the essential business terms of a one (1) year pilot program and authorizing the Administration to negotiate and execute the Agreement with Poseidon.

The City and Poseidon held two (2) community meetings with the Sunset Harbour Neighborhood Association on March 27, 2024, and June 11, 2024, respectively, to provide information and obtain community feedback on the one (1)-year pilot program. Additionally, regulatory approvals from Miami-Dade County's Division of Environmental Resources Management (DERM) and the issuance of a Business Tax Receipt (BTR) enabled the service to commence operations. As such, in June 2024, the City launched a one (1) year Water Taxi Pilot Program ("Pilot Program") with Poseidon connecting Miami Beach and Miami.

The Pilot Program aimed to assess operational viability, passenger demand, and public reception, while also exploring options for reducing fares through subsidies to enhance accessibility. As part of the Pilot Program, Poseidon operated a cross-bay service from/to the south side of Maurice Gibb Memorial Park (18 Street and Purdy Avenue, Miami Beach) and the Venetian Marina & Yacht Club, also known as Sea Isle Marina (1635 N. Bayshore Drive, Miami).

Despite the Pilot Program's intent to serve as a steppingstone toward a long-term water taxi solution, the Pilot Program experienced many operational challenges, including repeated service interruptions, mechanical failures, and customer service issues. Therefore, following discussions

at the July 24, 2024 FERC meeting, the Committee expressed significant concerns regarding viability of the Water Taxi Pilot Program. As such, the Committee passed a motion recommending that the Administration terminate the Agreement with Poseidon and return to the September 11, 2024 City Commission meeting for acceptance of the Committee's recommendation. Furthermore, the City Commission accepted the recommendation of the FERC and adopted Resolution 2024-33247 directing the Administration to terminate the concession agreement with Poseidon for the operation of the Pilot Program. This decision underscored the importance of further refining the Water Taxi Service model, operational structure, and financial sustainability before proceeding with a permanent implementation.

Building on the lessons learned from the Pilot Program, the City now seeks to establish a more robust and integrated water taxi network that aligns with broader transportation goals and provides both east-west cross-bay service as well as north-south service along the west coast of Miami Beach, and along the Indian Creek waterway. This RFQ invites experienced water taxi operators to propose sustainable, innovative, and financially viable service models that enhance connectivity, reduce roadway congestion, and integrate seamlessly with Miami Beach's existing transit infrastructure. The envisioned service will incorporate lessons learned from the pilot, ensuring a well-planned and strategically located network that meets passengers' local mobility needs and regulatory requirements while supporting regional mobility initiatives.

The Miami-Dade County Transportation Planning Organization (TPO) conducted a Waterborne Network Feasibility Study ("Feasibility Study") to evaluate the feasibility of a regional waterborne transit network, identifying potential routes, docking locations, infrastructure needs, and integration with existing transit systems. The Feasibility Study aims to enhance mobility, reduce roadway congestion, and provide sustainable transportation options. The City will utilize the Feasibility Study's findings to develop its Water Taxi Service, ensuring alignment with the broader regional vision for waterborne transit.

To support the successful implementation of the Water Taxi Service, the City is in the process of engaging a consultant with expertise in waterborne transportation projects. The consultant will assist the City in refining the selected vendor's water taxi service plan, infrastructure assessment, and financial feasibility analysis to ensure that the selected vendor can deliver a well-integrated and sustainable transit solution.

ANALYSIS

Through this RFQ, the City aims to select a qualified vendor to develop and operate a comprehensive Water Taxi Service that addresses prior challenges and positions waterborne transit as a reliable and enduring transportation option for Miami Beach residents and visitors. The prospective vendor shall provide an innovative and financially sustainable service model that aligns with regional waterborne transit plans, supports public-private partnerships (PPP), and helps secure state and federal transit grants.

The scope of work and requirements are more fully defined in the draft RFQ (Attachment A). Following the receipt of proposals, an Evaluation Committee ("Committee") will review proposals in accordance with the criteria established in the RFQ. After the Committee has evaluated the proposals, the City Manager will present an award recommendation to the City Commission for approval.

FISCAL IMPACT STATEMENT

The City has been awarded a \$600,000 grant from the Florida Department of Transportation (FDOT) for operating expenses related to a cross-bay Water Taxi Service, with matching funds contingent on approval during the Fiscal Year (FY) 2026 budget process. The City will continue to pursue additional funding opportunities, including grants from the Federal Transit

Administration (FTA) Passenger Ferry Grant Program and the Florida Inland Navigation District (FIND) Waterway Assistance Program, to support both operational and infrastructure costs.

The total cost of the Water Taxi Service will be determined in collaboration with the selected vendor, once key service details—such as route alignment, fare structure, operating schedule, vessel type, and docking locations—are finalized.

Does this Ordinance require a Business Impact Estimate?
(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:
See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

FINANCIAL INFORMATION

106-9615-000349-30-403-529-00-00-00- \$600,000 pending approval via FY 2026 Budget Enhancement

CONCLUSION

The Administration recommends that the City Commission authorize the issuance of RFQ 2025-284-ND for Water Taxi Service.

Applicable Area

Citywide

Is this a “Residents Right to Know” item, pursuant to City Code Section 2-17?

No

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s): N/A

Department

Procurement

Sponsor(s)

Co-sponsor(s)

Condensed Title

Issue RFQ 2025-284-ND, Water Taxi Service. TR/PR

Previous Action (For City Clerk Use Only)

