



# ADMINISTRATION COMMITTEE

## Agenda Report

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**File #:** 2025-4303

**Agenda Date:** 5/28/2025

**Agenda Item No:** 15.

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**FROM:** Robert Thompson, General Manager  
Originator: Lan C. Wiborg, Director of Environmental Services

**SUBJECT:**

**PURCHASE ORDER FOR CALIFORNIA RECREATION COMPANY MARINA SLIP RENTAL AGREEMENT**

**GENERAL MANAGER'S RECOMMENDATION**

RECOMMENDATION:

- A. Approve a purchase order to California Recreation Company (CRC) Marinas for the rental of an end tie boat slip in Newport Beach Harbor, in an amount not to exceed \$159,794 for the period of July 1, 2025, through June 30, 2026, with nine (9) optional one-year renewals; and
- B. Approve an annual increase not to exceed 10% of the previous year's amount.

**BACKGROUND**

For over 20 years, Orange County Sanitation District (OC San) has owned and operated a 58-foot monohull ocean monitoring vessel, *Nerissa*, for collecting compliance samples in the receiving environment to meet the National Pollutant Discharge Elimination Permit (NPDES) ocean discharge permit requirements. *Nerissa* is now nearing the end of service life, thus in May 2024, the Board of Directors approved the construction of a new 65-foot plug-in hybrid vessel, which will require an end tie rather than a conventional boat slip to accommodate the new vessel's wide beam. As end ties are in short supply with a 10-year waiting list, in January 2024 staff seized the opportunity to rent an 82-foot end tie at Balboa Marina in Newport Harbor to ensure efficient and safe operation of the new vessel after it is commissioned in 2027. *Nerissa* will continue to be docked at the end tie until the new plug-in hybrid vessel is delivered.

**RELEVANT STANDARDS**

- Comply with environmental permit requirements
- Protect OC San assets
- Commitment to safety and reducing risk in all operations
- Sustain 1, 5, 20-year planning horizons
- Ensure the public's money is wisely spent

**PROBLEM**

The cost of boat slips continues to increase across Southern California and end ties are in short supply with a 10-year waiting list. If OC San does not renew the current end tie rental, it will be extremely difficult to find another suitable end tie for the new vessel that is under construction and staff will need to rent a new slip for *Nerissa*. The current end tie is ideal because it includes a dedicated charging station to support the hybrid propulsion engines and navigating a vessel to/from the marina is not impeded by tidal extremes and strong winds.

**PROPOSED SOLUTION**

OC San currently pays \$11,992 per month (at a rate of \$146.24 per linear foot) for the end tie. CRC Marinas informed OC San on January 9, 2025, that the rental fee will be increased annually by an estimate of 5-7% starting on July 1, 2025.

Thus, staff is proposing issuance of a purchase order to CRC Marinas to renew the rental of the end tie in Newport Beach Harbor, not to exceed \$159,794 for the period July 1, 2025, through June 30, 2026, with nine (9) optional one-year renewals. Each optional annual renewal shall not increase by more than 10% of the previous year's amount.

Approving a contract term for up to 10 total years ensures that OC San will have a suitable place to berth *Nerissa*, as well as the new vessel, for the foreseeable future.

**TIMING CONCERNS**

The current purchase order with CRC Marinas is set to expire on June 30, 2025.

**RAMIFICATIONS OF NOT TAKING ACTION**

If a new purchase order is not issued, OC San will no longer have a suitable place to dock its current vessel, *Nerissa*, after July 1<sup>st</sup> or the new vessel in 2027. Docking the new vessel at a conventional boat slip is not feasible due to its large size. Since staff were able to secure the current end tie after 14 months of rigorous searching, it may take as long or longer to obtain another suitable end tie in Newport Harbor. Docking a monitoring vessel at a mooring ball in the interim is not feasible as the transit time to the moored vessel via a motorized dinghy and then to the Harbor Patrol's guest dock to pick up the crew and sampling gear will cut into the sampling time of each monitoring survey, which may impact OC San's ability to meet NPDES permit compliance monitoring of the receiving environment. Additionally, docking the new vessel at a mooring ball is not feasible because the new vessel will require shore power to charge the batteries overnight.

**PRIOR COMMITTEE/BOARD ACTIONS**

May 2024 - Approved a Purchase Order to California Recreation Company (CRC) Marinas for the rental of an end tie boat slip in Newport Beach Harbor, not to exceed \$147,490 for the period July 1, 2024, through June 30, 2025, and approved a contingency of \$29,498 (20%).

December 2016 - Approved the addition of California Recreation Company as the OEM Sole Source for the Vessel *Nerissa* Slip Fees.

**ADDITIONAL INFORMATION**

It is industry practice for marinas to rent boat slips and end ties on a month-to-month basis. As CRC Marinas plans to increase the rental fee of the current end tie by an estimated 5-7% annually starting on July 1, 2025, the new purchase order is estimated to be \$159,794 for the next twelve months (FY 2025-26). Staff are seeking nine (9) optional one-year renewals, because end ties are in short supply with a 10-year waiting list. In addition, OC San plans to invest in upgrading the shore power at the end tie to allow for faster charging of the batteries on the new vessel when it is commissioned in 2027.

Since 2016, CRC Marinas has been the sole proprietary service provider for the dock fees.

**CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with the authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget Update FY 2025-26, Section 6, Page 60, Environmental Laboratory and Ocean Monitoring) and the budget is sufficient for the recommended action.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A