

Memorandum

To: Chairman and Commissioners

Date: May 26, 2004

From: Diane C. Eidam

**File No:
Book Item 2.1e
Action**

Ref: Project Application Amendment to Deprogram and Program Proposition 116 Funds to the City of Vallejo

Issue:

Should the Commission:

- Approve the City of Vallejo's request to deprogram \$396,304 in Proposition 116 funds from the Pier 43 – Ferry Dock project in San Francisco?
- Approve the City of Vallejo's Proposition 116 application for the City's Ferry Maintenance Facility project in the amount of \$581,841?
- Hold the approval of allocation of any construction funds to the Ferry Maintenance Facility project until the City of Vallejo provides evidence of a BCDC permit.

Recommendation:

Commission staff has reviewed the Proposition 116 application, as well as subsequent clarifications that appear to meet all basic requirements specified in Proposition 116, as well as the Commission's policies and guidelines. Staff recommends that the Commission approve the attached resolution, which would grant approval of the City of Vallejo's application for the Ferry Maintenance Facility project. Staff also recommends that the Commission require the City of Vallejo to provide evidence of a Bay Conservation and Development Commission permit prior to allowing an allocation for construction funds to this project.

Background:

Proposition 116 in PUC Section 99646 authorizes \$10,000,000 for allocation by the Commission to the City of Vallejo for expenditure on water-borne ferry vessels and terminal improvements. The City of Vallejo had the entire \$10,000,000 programmed; however due to cost savings from the Ferry Demonstration project funds have been made available.

In February 1998, the Commission approved PA-98-06 for the City of Vallejo's Public Ferry Dock at Fisherman's Wharf in San Francisco. The City was awarded a grant from the Federal Highway Administration (FHWA) under Section 1064 of the Intermodal Surface Transportation Policy Act (ISTEA) of 1991 for the purpose of constructing a public ferry dock at Fisherman's Wharf. The Proposition 116 funds were earmarked to provide the 20% local match required for the federal funds. Extensive concerns and enhancements to the Public Ferry Dock project have delayed the completion of the project. The City of Vallejo requested that the funds be deprogrammed and deallocated for the Public Ferry Dock project. The Commission, at its May 2004 meeting deallocated the Proposition 116 funds.

In April 2004, the City returned with a new project approval request for \$581,841 in Proposition 116 funds to construct a Ferry Maintenance Facility. The Proposition 116 funds are made available by the deallocation/deprogramming of \$396,304 from the Pier 43 Public Ferry Dock facility project, use of \$15,945 from Chair and Commissioners

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an earlier application for the Ferry Maintenance facility; which has cost savings, and \$169,592 in unprogrammed Proposition 116 funds.

Approval of the attached resolution will: 1) deprogram \$396,304 from the Pier 43 – Public Ferry Dock project; 2) program \$581,841 to the Ferry Maintenance Facility project; and 3) allow execution of a fund transfer agreement for pre-construction activity reimbursement but hold the City to the conditions stated above and not allow execution of a fund transfer agreement for construction until the City provides evidence of a BCDC permit.