



Agenda Item No. 2.b.

To: Finance-Auditing Committee  
Meeting of September 10, 2009

From: Gayle S. Prior, Director of Capital and Grant Programs  
Joseph M. Wire, Auditor-Controller  
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE THE FILING OF AN APPLICATION WITH THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT FOR FY 09/10 TRANSPORTATION FUNDS TO SUPPORT LARKSPUR FERRY SHUTTLE SERVICE OPERATIONS**

### **Recommendation**

The Finance-Auditing Committee recommends that the Board of Directors authorize the General Manager or her designee to file applications and execute funding agreements with the Bay Area Air Quality Management District (Air District) for the FY 09/10 Transportation Fund for Clear Air (TFCA) Grant Program as follows:

Authorize an application for TFCA grant funds to support a two-year peak period ferry shuttle service between Fairfax/Sir Francis Drake and the Larkspur Ferry Terminal (LFT) for an estimated operating cost of \$352,270 per year.

### **Summary**

Golden Gate Ferry ridership has been increasing by over 5% per year. As gas prices continue to escalate, we anticipate an increase in future ridership. The proposed shuttle would provide bus service to the Larkspur Ferry Terminal (LFT) during peak hours. The goal of this service is to reduce traffic congestion in the Golden Gate corridor as well as reduce motor vehicle emissions by offering an effective shuttle service that will encourage LFT patronage.

As a result of the convenience of the proposed ferry feeder service, it is anticipated that patrons who formerly drove to San Francisco will instead travel via feeder shuttle. It is also assumed that a number of patrons who formerly drove to San Francisco will utilize the parking spots made available at LFT to access the ferry. It is expected that the fare revenue generated from new ferry riders will offset the District's local match.

Grant funding will be requested for a two-year period, which represents the maximum amount of time allotted for shuttle/feeder services per the TFCA grant program guidelines. The estimated

cost to operate this service is \$352,270 per year, for a total of \$704,540. The grant program requires a minimum match of 10% non-Air District funds for all requests over \$150,000. The proposed two-year shuttle service will be funded by 90% TFCA funds (\$634,086), plus a 10% local match (\$70,454).

The Air District, in conjunction with the Department of Motor Vehicles, receives a \$4 surcharge on motor vehicle registrations paid within the Air District's jurisdiction. The surcharge provides funding for the TFCA grant. Those funds are distributed to public and non-public agencies to implement projects to reduce air pollution from motor vehicles in accordance with the requirements of State law and the Air District's *Bay Area 2005 Ozone Strategy*. Eligible project types include Heavy-Duty Clean Air Buses, Arterial Management, Shuttle/Feeder Bus services, etc.

### **Fiscal Impact**

This item authorizes filing of an application for TFCA grant funds to support a two-year ferry shuttle service program in the amount of \$317,043 per year, plus a District local match in the amount of \$35,227 per year. As a result of offering the shuttle service, it is anticipated that new ferry riders will be gained and the increased ferry ridership will generate new revenue that will offset the District's local match.