



Agenda Item No. (4)(a)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of April 22, 2021

From: Damon Brewer, Director of Engineering and Maintenance, Ferry Division
James P. Swindler, Deputy General Manager, Ferry Division
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
(a) **FUNDING ADJUSTMENT IN THE FERRY DIVISION CAPITAL BUDGET RELATIVE TO PROJECT #1542, SERVICE LIFE EXTENSION PROGRAM (SLEP): LARKSPUR, SAN FRANCISCO, SAUSALITO**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize a funding adjustment in the Ferry Division Capital Budget, relative to Project #1542, *Service Life Extension Program (SLEP): Larkspur, San Francisco and Sausalito*. The proposed funding adjustment changes the source funding composition to increase the Golden Gate Bridge, Highway and Transportation District's share from \$198,000 (11%) to \$1,343,468 (77%) and reducing the Federal Transit Administration share from 1,392,000 (80%) to \$382,438 (22%). The total project budget, \$1,740,000 remains unchanged.

This matter will be presented to the Board of Directors at its meeting on April 23, 2021, for appropriate action.

Summary

Currently, the Golden Gate Bridge, Highway and Transportation District's (District) Engineering Department and Ferry Division have an ongoing capital program to maintain and extend the service life of all our Ferry facilities. This program is referred to as the Service Life Extension Program (SLEP). The program focuses on maintaining each terminal in safe operating condition to ensure uninterrupted ferry service. The program addresses both significant maintenance and component replacement.

Included in the March 26, 2021 General Manager Report was the recommendation that the Board of Directors ratify the emergency action of the General Manager to approve Contract No. 2021-F-027, in an amount not to exceed \$750,000, with Bay Ship & Yacht Co., located in Alameda, CA for Sausalito Ferry Terminal emergency float repair work.

In accordance with the District’s Capitalization Policy, the Sausalito Ferry Float is a tangible asset of significant value having a utility, which extends beyond the current year. As such, the emergency repair work qualifies as a capital project. The composition of funding for the capital project needs to match the procurement method, and since the float repair work came under an emergency procurement, the work is not eligible for federal funds. The existing capital project requires the funding source modifications as outlined in Table 1 - Project #1542: SLEP Funding.

Fiscal Impact

Project #1542, SLEP: Larkspur, San Francisco, Sausalito, was approved in the FY 21/22 Ferry Division Capital Budget for \$1,740,000. The proposed amendment would result in no change to the total project budget but will change the fund source composition to increase the District share from \$198,000 (11%) to \$1,343,468 (77%). The revised total project budget will be funded as follows: \$1,343,468 (77%) District-funded, \$382,438 (22%) federally (Federal Transit Administration) funded, and \$14,095 (1%) local grant (Prop K) funded. The Sausalito Ferry Float work will be 100% District funded.

Table 1: Project #1542: SLEP Funding

	Initial Budget	Expended	Proposed Budget
Federal (FTA)	1,392,000	382,438	382,438
District	198,000	81,514	1,343,468
Local (Prop K)	150,000	14,095	14,095
Total	1,740,000	478,046	1,740,000
Federal %	80%	80%	22%
District %	11%	17%	77%
Local %	9%	3%	1%