May 1, 2009

Mr. Jeffrey Kolb, Division Administrator
New York Division Office,
Federal Highway Administration
O'Brien Federal Bldg., Room 719
Clinton Avenue and N. Pearl St.
Albany, NY 12207

Ferry Boat Discretionary Program (FBD) Request for Projects

Dear Mr. Kolb,

The New York State Department of Transportation (NYSDOT) is pleased to submit for the Federal Highway Administration's (FHWA) review and consideration twelve projects for the American Recovery and Reinvestment Act of 2009 Ferry Boat Discretionary (FBD) program competitive solicitation.

The twelve projects being advanced by the Department for consideration are consistent with the program guidance issued by FHWA on March 30, 2009. The recommended projects were solicited and reviewed in consultation with the Department's Regional Offices and eligible municipalities, as appropriate. In addition, candidate projects were selected after being evaluated by NYSDOT using weighted criteria consistent with and expanded upon from those formulated by FHWA.

As the result of evaluation process, the Department has identified three groups of projects to be advanced for the FHWA consideration: Group I: Highly recommended projects (first five projects in the Department's submission); Group II: Recommended projects (next two projects in the Department’s submission); and Group III: Without recommendation projects (last five projects in the Department’s submission).

As required by FHWA, the original application forms (Attachment 2) with the Department's recommendations (Attachment 1) for each of the projects are provided in electronic format. Additional correspondence including maps, pictures, copies of support letters, and other relevant information are submitted to your office as necessary.
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Your favorable consideration of these projects is appreciated. If you have any questions regarding the attached applications and/or the recommended projects, please call me or Gene Kosoy of my staff at (518) 457-2320.

Sincerely,  

[Signature]

Ronald L. Epstein,  
Chief Financial Officer

Cc: R. Beers, FHWA NY Division Office  
   S. Gee, Deputy Commissioner  
   T. Gilchrist, NYS Economic Recovery and Reinvestment Cabinet

Enclosures
ATTACHMENT 1

AMERICAN RECOVERY AND REINVESTMENT ACT
FERRY BOAT DISCRETIONARY (FBD) PROGRAM
CFDA # 20.205 - Highway Planning and Construction
(March 2009)
Competitive Solicitation Recommendations
(in regional order within each group)

Group I: Highly recommended projects (5 projects):

Region 7: Lake Champlain Transportation Co. (LTC Co.) Ferry Slip reconstruction
Clinton County is requesting funds in the amount of $2,500,000 to add the third
operational slip by upgrading and reconstructing an existing ferry slip that currently is not
in operation due to deteriorated structural condition. The project will provide a
multimodal, reliable, and uninterrupted year around critical interstate ferry connection
across Lake Champlain. Currently, the route carries nearly 900,000 vehicles and
1,667,300 passengers. Approximately 40% of the ferry passenger traffic is daily
commuters. The project received unanimous support from the County Legislature
(resolution #273 dated April 08, 2009). This is a joint development partnership because
the existing private ferry operator provides the services and the vessels with no public
subsidy. Also, the company is committed to provide any additional funding above the
requested amount.

This is a highly ranked service because it would provide an important transportation
improvement to the critical multimodal interstate connection where construction of a
bridge is not feasible and also addresses a serious need for the commuter market. The
project represents a public-private cooperation based on a mutual goal and private
commitment of funding. The project is in a federally designated economically distressed
area in upstate New York and provides critical support for the local economic market
growth with anticipation of the use of local labor and materials to complete this project
and create about 60\(^1\) jobs.

Region 8: Haverstraw Commuter Ferry Pier
The Village of Haverstraw is requesting $2,500,000 FBD funds to relocate the existing
ferry landing from a temporary privately owned site to the new permanent village owned
property. The current Trans-Hudson ferry to Ossining is now generating more than 550
boardings per day with anticipated growth to 800 - 1,000 boardings in the future. The
new site will offer increased availability for parking spaces (450) to accommodate future
ridership growth.

\(^1\) Job estimate using FHWA estimate 24 jobs created per $1,000,000 invested
The development of the new ferry landing is designed to occur in 3 Phases. This project will complete the first phase (Phase 1A) which would include the construction of a permanent ferry pier, a temporary surface parking lot with 450 spaces until garage is constructed and a shelter for ferry passengers.

This is a highly ranked project because it supports an existing and very successful ferry service. The project provides an alternative to the congested commute across the Tappan Zee Bridge: a single level, seven-lane toll bridge (with moveable barrier which provides a peak direction fourth lane) with average annual daily traffic (AADT) 135,000 vehicles. The ferry piers and associated services are also elements of major waterfront developments that will generate significant private investment in Haverstraw. The continued operation of the Trans-Hudson ferry to Ossining from a permanent ferry pier in Haverstraw will also bolster the redevelopment efforts underway in that municipality. The project will create about 60 jobs during design and construction and 4-5 permanent jobs after project completion.

Region 10: Fishers Island Ferry Terminal Renovation
Fishers Island Ferry District, Town of Southold, NY is looking for $912,000 to renovate Fishers Island ferry terminal that will cover total cost of the project. The project objective is to renovate an original (1947) terminal building, providing additional administrative office space, new ticketing and reservation area, an adequate waiting area as well as ADA accessible rest rooms. The new waiting areas and reservations will improve the public safety surrounding the ferry facilities as well as the operations of loading and unloading of the vessels.

This is a highly ranked project because Fishers Island ferries transport approximately 150,000 passengers, 70,000 vehicles and 30,000 trucks per year. Since Fishers Island is not considered a destination resort, the great majority of those transported lives and works on the island and some residents commute to the mainland for work. The ferry is the only connection (highway) to the mainland. The total potential number of jobs created by this project would total 22.

Region 11: Replacement of Oil Barge #4
The NYCDOT is requesting $3,000,000 to complete design and construction of a double-hull oil barge to replace an existing and aging single-hull oil barge that is currently in use. Total project cost estimated at $3,750,000 with the city providing $750,000. The new oil barge will meet all applicable U.S. Coast Guard regulations and comply fully with the requirements of the Oil Pollution Act of 1990. The benefits include: improved reliability, reduced maintenance, fuel consumption, and overall related costs; and reduced engine emissions, all of which will improve the efficiency and overall operation of fueling at this mass transit system.

This is a highly ranked project because it provides an important transportation improvement to the critical multimodal connection in NYC. The Staten Island Ferry
carries over 20 million passengers per year and serves as the mass transit link between surface transit in Staten Island and the subway and surface transit in Manhattan; therefore, the fuel facility is an essential part of the operation of the Staten Island Ferry. About 80² jobs in the shipyard construction sector will be retained or newly created.

**Region 11: Staten Island Ferry - Ferry Maintenance Facility Improvements**

NYCDOT is requesting $4,000,000 to complete improvements and maintain the St George Maintenance facility. The ferry facility work will include but not be limited to, ferry slips, roofs, windows, and HVAC systems designed to improve the ferry facilities. The city can divide this project as independent phases to accommodate any financial award. The benefits include: improved ferry facilities; reduced maintenance and related costs; and improved conditions of the facilities which has a direct impact on safety and the quality of the commute to and from Staten Island.

This is a highly ranked project because it provides critical support for the continued operation of an important transportation improvement to this key multimodal connection in NYC. Another favorable factor of this project is the ability to fund portions of the overall project based on an awarded amount. The Staten Island Ferry carries more than 20 million passengers per year and serves as the mass transit link between surface transit in Staten Island and the subway and surface transit in Manhattan; therefore, the maintenance facility is an essential part of the operation of the Staten Island Ferry. Approximately 95 jobs in the marine industry will be created.

² Based on Discussions with Staten Island Ferry Staff and shipyards that normally provides services to SIF.
Group II: Recommended projects (2 projects):

Region 5: Bemus Point-Stow Ferry upgrades
Chautauqua County is seeking $760,000 to fund critically needed upgrades to the historic Chautauqua Lake ferry vessel in order to preserve a priceless historic tourist attraction (the only cable ferry remaining in operation in NYS). Total project cost is $1,300,000.00 and the county already secured in FBD 2008 $426,626 plus $110,000 in local match.

The project ranking is based on the unique historic value of the ferry and strong support for the economic development of the local community. The project is in a federally designated economically distressed area in the Western part of the State New York and would create about 18 jobs.

Region 10: Village of Ocean Beach Ferry Terminal Replacement and Enhancement Project
The Village of Ocean Beach located on Fire Island, Suffolk County is requesting funds in the amount of $1,600,000 for the reconstruction of the original ferry terminal built in 1937. The ferry is the sole access into and out of the village located on Fire Island, a barrier island across the Greater South Bay from Suffolk County. Total project cost is $3,000,000 including $1,109,229 secured under FBD 2008 plus $300,000 local contribution.

The project ranking recognizes the importance of connection with a barrier island but also reflects the fact that this is a purely summer recreational community. Construction of this project will create approximately 70 jobs, 40 coming directly from the ARRA funds.
Group III: Without recommendation projects (5 projects):

Region 08: Restoration of Ferry Service, Tivoli/Saugerties
Both villages are requesting $3,770,000 to complete the restoration of tourist-based ferry service between the Village of Tivoli and the Village of Saugerties. The project will create a seasonal tourist ‘draw’ between the traditional Hudson River municipalities and their commercial districts, linking their future economic development as it was in the eighteenth and nineteenth centuries.

The limiting factors for this project are the following: purely seasonal and tourism oriented service with limited Department’s commitment to this type of market without any extension of the highway system; difficult to anticipate future ridership, high initial cost for a small project and unclear issue of operating subsidy to support the service.

Region 08: Ferry boats, operation and expansion of the Haverstraw-Yonkers-Lower Manhattan ferry service: County of Rockland
The County of Rockland is requesting $5,000,000 to continue leasing vessels and to dedicate to the capital cost of contracting the ferry service beyond May 2009. Currently the cost for the service per year is approximately $3.6 million. Expansion of the service schedule is needed to provide the incentive for commuters to use the service exclusively (instead of driving SOVs), which will increase ridership. Expansion of the service will bring the annual cost to between $4 million and $5 million.

Factors that affected the scoring of this project include low ridership that brings to about $100 subsidy per passenger per trip. Also, requested amount is too high for the program especially with current statewide ferry capital needs for the program. No operating funds have been identified to continue this service so far.

Region 10: Purchase of Ferry Boats for the purpose of creating an owned and operated ferry service for the Village of Saltaire.
The village of Saltaire is requesting $2,600,000 to create and operate ferry service between the mainland terminal in Bayshore, Long Island and Saltaire, Fire Island. Total cost is $2,750,000 with $150,000 the village contribution. Benefits of creating its own ferry service are to provide more direct service for its residents during the summer as well as more frequent service during the off-season. The Village is also planning for the removal of its refuse exclusively by waterborne transportation. Approximately 70,000 passengers and freight are being used annually.

The major factor affecting the scoring of this project is an extreme risk taken by the village by starting their own ferry service with limited professional expertise in operating and maintaining boats.
Region 11: Staten Island Ferry - Ferry Rack Reconstruction Program
NYCDOT is asking for $4.0 million for Phase I work to reconstruct one slip. Because
the total cost of the Phase I is $10M, the city will also be applying to other federal
sources such as FTA to fund parts of the project. This request and potential FTA funding
will cover preliminary engineering, final design and replacement of the ferry racks at one
of the eight ferry slips at the St. George and Whitehall Ferry Terminals. While the total
project cost of replacement at eight slips is $70M, the city hopes to secure funding
enough to complete the first slip.

The project benefits the city with the new fender racks at the St. George and Whitehall
Ferry Terminals that must be replaced because of age and to accommodate the new
Molinari Class ferry vessels which displace 26% more tonnage than the former Kennedy
Class ferry vessels.

The major factor that produced the low score for this project is the project schedule and
incomplete finance package. The project is still at the initial stage and requires full
design, environmental assessment, permits, etc. Also, it is not practical to let only one of
eight slips but at the same time the city has not secured enough money to advance the
project beyond the first slip.

Region 11: Ferry Infrastructure, E. 34th Street Ferry Landing and connecting sites,
NY
NYCDOT is requesting $6,000,000 to improve infrastructure at East 34th Street,
Manhattan, New York, and key connecting sites in Boroughs of Brooklyn and Queens of
NYC. Completion of terminal infrastructure work at the E. 34th Street Ferry Landing,
includes upland pedestrian improvements, terminal shelter, and structural rehabilitation
of the pier structure.

Current Ridership at East 34th Street is approximately 1,000 passengers per day and
includes service to Queens, Brooklyn, Highlands (NJ) and Atlantic Highlands (NJ) with
seasonal service to Yankee Stadium, Citifield and Randall’s Island. New service is being
planned for E. 34th Street including new ferry connections to North Williamsburg and
Greenpoint and increased levels of service to Long Island City and South Williamsburg.

Contributing factors to the low scores for this project were that the scope was too broad
and can be difficult to implement under tight ARRA schedule; lack of cost estimate of
this phase of work and incomplete finance package. The project has already received
numerous awards and substantial amounts are still not claimed. The city has experienced
difficulties resolving NYSDOT design comments from the previous phase.