Local Sponsors
• City of Petaluma
• City of San Rafael
• Napa County
• Marin County
• Sonoma County

Local Challenge
Under the current civil works transformation, how can local sponsors of federal shallow-draft navigation channels partner with the USACE to develop a sustainable maintenance dredging program?

Issue Summary
USACE Navigation Mission: Provide safe, reliable, efficient, effective and environmentally sustainable waterborne transportation systems

• USACE struggling to fulfill mission w/out reliable congressional funding
• Historic Dredge Cycles: 3 – 7 years
• Last time any project fully dredged: 2002

Dredged Material Management Options for San Pablo Bay Shallow-Draft Navigation Channels
**Objective:** Alternative finance and delivery plan for maintenance dredging on three navigation channels

**Proposed Components:**
1. Long-term program: 20 years/5 dredge episodes
2. Full Federal funding of first episode on each channel,
3. USACE Savings/ROI Strategy
   a) P3/P4 financing
   b) Leverage LTMS & proximity to beneficial use sites
   c) Increased efficiencies achieved through bundling projects
   d) Non-federal sponsor contributions toward shared cost for out years
4. ROI to private investor achieved through unit cost fee applied to material delivered to beneficial reuse sites

**Benefits**
- Dual USACE mission sustainability
- Enhances Regional Economic Development
- Environmental through wetlands creation
- Assures emergency & recreational access
- Navigation safety

**Public-Private Partnerships (P3):**
Contractual relationships between a public sector contracting authority and a private entity that agrees to infuse capital and management toward the provision of public infrastructure and services.

**Public-Public-Private Partnerships (P4):**
Evaluate multi-jurisdictional water resources projects where federal authorities, together with relevant local or state authorities, jointly confer rights and responsibilities for infrastructure assets to a single private entity.
Savings/ROI Details

P3/P4 Strategy: 3rd Party Off-Loader Lease Agreement
- Non-Federal partner(s) and/or a third party acquires and agrees to maintain off-loader
- Off-loader leased to USACE dredging contractors
- Risk of equipment underutilization transferred from contractors to the 3rd party
- Lower bids = ~30% savings to USACE Dredge Program = $19M over 5 years
- Cost to dredge San Pablo Bay channels = $15M/5 years

Leveraging LTMS & Proximity to Beneficial Reuse Sites
- Under LTMS, USACE aims to dispose <20% in-Bay
- PPA dredging -> beneficial reuse of 1M CY not currently accounted for by USACE five-year IAA
- Would enable USACE to dispose additional 800,000 CY from deep-draft channels in-Bay
- Cost offsets = $9M savings over 5 years

Local Sponsor Funding Options
- Capital budgeting
- Infrastructure improvement
- Equipment management
- Tax Assessment District
- Special District
- Grants
  - Measure AA
  - WRDA
  - CDFW/OSPR
  - State GGR Fund
PROPOSAL DEVELOPERS

- City of Petaluma
- City of San Rafael
- Marin County
- Sonoma County Water Agency

- Napa County Flood Control and Water Conservation District
  - Haley & Aldrich, Inc.
    - Ellen Johnck Associates
    - David Miller Associates