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## VIA ELECTRONIC MAIL

March 27, 2015

Mary Wagner City Attorney City of Sausalito 429 Litho Street Sausalito, CA

Re: Golden Gate Ferry: Sausalito Ferry Terminal Vessel Boarding Rehabilitation Project

Dear Mary:

I wanted to respond to your letter of March 24, 2015 regarding the Sausalito Ferry Terminal Vessel Boarding Rehabilitation Project ("Project"). As you know, the District voluntarily agreed to participate in the plan review process described in Section 5.4 of the December 1, 1995 Lease ("Lease") between the City and the District. As I have noted previously, the District's participation in this review process does not waive its rights to claim that: (1) it previously obtained the City's approval for the Project under the terms of the lease; (2) no such approval was required for the Project under the terms of the Lease due to the Project being a "repair" under Section 5.4(a) of the Lease; and (3) no such approval was required for the Project under the terms of the Lease due to the Project being a "replacement" under Section 5.4(a) of the Lease.

The City has decided to conduct its review of the District's plans in a similar fashion to the one it follows for land use approvals, and the District has agreed, to the extent it is feasible, to participate in that process. However, this does not mean that the District has consented to be bound by the City's administrative procedures for land use approvals. In particular, the District expressly has not agreed to the application of the substantive finding requirements the City utilizes in making such land use decisions, as they differ from the standard that is applicable under the terms of the Lease. As you know, the District is not subject to the City's land use ordinances pursuant to Government Code Section 53090 et seq.

I was therefore concerned by the content of your March 24th letter, which suggests that the District has failed to follow the specific requirements of the City's land use application process. While it would have been preferable if the City and District had come to an agreement as to what documents would be submitted to assist the City with its process, the terms of the Lease are very clear—under the review process in Section 5.4 of the Lease, the District is only required to submit "detailed plans." On March 24th, the District submitted two full-size sets and twelve half-size (11-inch by 17-inch) sets of detailed plans for the Project, thereby fulfilling the requirement of Section 5.4 of the Lease. The 45-day period began running on March 24. If the

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City has any disagreement with this, please contact me immediately so that any misconceptions can be resolved.

With regard to the other materials, the District has submitted a whole host of documents and information to assist the City with its public review process. There is no requirement under the Lease that the District submit anything other than "detailed plans." Any statements by any City staff members to the effect that the District's submittal was "incomplete" do not relate to the terms or requirements of the Lease or the plan review, but only to the City's self-developed process for considering the District's plans. While we will continue to cooperate by providing the City with information it requests, I would hope that we can keep these issues in their proper perspective and avoid mixing issues related to compliance with the Lease terms with the City's other goals in its land use process.

I continue to be concerned that City staff, by directing the decision-makers to those land use findings, may cause City leaders to unwittingly ignore the City's clear legal obligation to comply with the terms of the Lease. It would be a shame if this approach were to cause the City to breach its legal obligations and suffer the legal consequences of such an action.

Very truly yours,

Michael N. Conneran

cc: Dennis Mulligan

Jim Swindler Ewa Bauer Kim Manolius