

Members of the Board

Anthony J. Intintoli, Jr., Chair
Jeffrey DelBono
Timothy Donovan

BOARD OF DIRECTORS' MEETING

Thursday, July 10, 2014 at 1:00 p.m.

San Francisco Bay Area

Water Emergency Transportation Authority

9 Pier, Suite 111; San Francisco

The full agenda packet is available for download at www.watertransit.org.

AGENDA

- | | |
|---|-------------------------|
| 1. <u>CALL TO ORDER – BOARD CHAIR</u> | Information |
| 2. <u>ROLL CALL/PLEDGE OF ALLEGIANCE</u> | Information |
| 3. <u>REPORT OF BOARD CHAIR</u> | Information |
| 4. <u>REPORTS OF DIRECTORS</u> | Information |
| 5. <u>REPORTS OF STAFF</u> | Information |
| a. Executive Director's Report | |
| b. Legislative Update | |
| 6. <u>CONSENT CALENDAR</u> | Action |
| a. Minutes June 19, 2014 | |
| 7. <u>AWARD CONTRACT TO DUTRA CONSTRUCTION COMPANY FOR WATERSIDE CONSTRUCTION OF THE NORTH BAY OPERATIONS AND MAINTENANCE FACILITY AND REGIONAL SPARE FLOAT</u> | Action |
| 8. <u>ESTABLISH A LEED CERTIFICATION GOAL FOR THE CENTRAL BAY OPERATIONS AND MAINTENANCE FACILITY PROJECT CONSTRUCTION</u> | Action |
| 9. <u>OVERVIEW OF CONTRA COSTA TRANSPORTATION AUTHORITY STUDY ON THE FINANCIAL FEASIBILITY OF CONTRA COSTA FERRY SERVICE 2015 - 2024</u> | Information |
| 10. <u>ALAMEDA TERMINAL ACCESS PLAN STATUS REPORT</u> | Information |
| 11. <u>OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u> | Action |
| <u>ADJOURNMENT</u> | To Be Determined |

Water Emergency Transportation Authority July 10, 2014 Meeting of the Board of Directors

PUBLIC COMMENTS The Water Emergency Transportation Authority welcomes comments from the public. Speakers' cards and a sign-up sheet are available. Please forward completed speaker cards and any reports/handouts to the Board Secretary.

Non-Agenda Items: A 15 minute period of public comment for non-agenda items will be held at the end of the meeting. Please indicate on your speaker card that you wish to speak on a non-agenda item. No action can be taken on any matter raised during the public comment period. Speakers will be allotted no more than three (3) minutes to speak and will be heard in the order of sign-up.

Agenda Items: Speakers on individual agenda items will be called in order of sign-up after the discussion of each agenda item and will be allotted no more than three (3) minutes to speak. You are encouraged to submit public comments in writing to be distributed to all Directors.

Water Emergency Transportation Authority (WETA) meetings are wheelchair accessible. Upon request WETA will provide written agenda materials in appropriate alternative formats to individuals with disabilities. Please send a written request to contactus@watertransit.org or call (415) 291-3377 at least five (5) days before the meeting.

Participation in a meeting may be available at one or more locations remote from the primary location of the meeting. See the header of this Agenda for possible teleconference locations. In such event, the teleconference location or locations will be fully accessible to members of the public. Members of the public who attend the meeting at a teleconference location will be able to hear the meeting and testify in accordance with applicable law and WETA policies.

Under Cal. Gov't. Code sec. 84308, Directors are reminded that they must disclose on the record of the proceeding any contributions received from any party or participant in the proceeding in the amount of more than \$250 within the preceding 12 months. Further, no Director shall make, participate in making, or in any way attempt to influence the decision in the proceeding if the Director has willfully or knowingly received a contribution in an amount of more than \$250 within the preceding 12 months from a party or such party's agent, or from any participant or his or her agent, provided, however, that the Director knows or has reason to know that the participant has a financial interest in the decision. For further information, Directors are referred to Government Code section 84308 and to applicable regulations.

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development
Michael Gougherty, Senior Planner

SUBJECT: Alameda Terminal Access Plan Status Report

Recommendation

There is no recommendation associated with this informational item.

Background

Staff is currently engaged in a planning study, examining potential improvements for customer access to WETA terminals in Alameda. The study began in March 2014 and will take approximately 6 months to complete. Staff has secured the consultant services of Nelson Nygaard to assist with this effort. Two rounds of public workshops have already occurred and a third opportunity for public input is scheduled for July 30 at the Alameda Transportation Commission. In addition, staff will be attending an AC Transit/City of Alameda Interagency Coordination meeting with AC Transit Board members and City of Alameda councilmembers on July 9.

Discussion

Concerns over parking and interest in connecting feeder bus service have been the most common topics voiced by ferry riders at both terminals. WETA staff has been engaged in conversation with City of Alameda and AC Transit staff regarding the customer comments and potential solutions and will present a summary and status report of this work at the meeting. It is expected that a final study and recommended action plan will be completed and presented to the WETA Board for discussion in the fall.

Fiscal Impact

There is no fiscal impact associated with this status report. Consultant support for the Alameda terminals access plan is estimated to cost \$35,000 and is funded as a part of the FY 2014/15 operating budget.

END

MEMORANDUM

TO: WETA Board Members
FROM: Nina Rannells, Executive Director
DATE: July 10, 2014
RE: Executive Director's Report

PROJECT UPDATES

Ferry Terminal Refurbishment Projects – This effort includes gangway rehabilitation and minor terminal facility improvement projects that support the continued safe operation of East Bay ferry terminals (Clay Street Oakland Jack London Square, Alameda Main Street, and Harbor Bay) and includes a variety of work ranging from pier piling replacement to repairing walkways and awnings.

The Board of Directors awarded a contract to Manson Construction Co. on March 31 to undertake the majority of the project work, including construction of improvements at Clay Street and Harbor Bay. Staff has executed a contract with Manson Construction Co. and issued a Notice to Proceed with design and construction of the project.

Regional Passenger Float Construction – This project will construct a new regional spare float that can be utilized as a backup for the Vallejo terminal float as well as other terminal sites such as downtown San Francisco when the permanent terminal floats must undergo periodic dry-dock, inspection, and repair. This spare would support ongoing daily services and would be a valuable asset to have available for use in unplanned or emergency conditions. Ghirardelli Associates Inc. was selected as the project Construction Manager. The Request for Proposals for the project was released on February 28. Technical proposals were due on April 16. Price proposals were received on May 30.

Bay Breeze Vessel Refurbishment – The ferry vessel *Bay Breeze* has surpassed its economic mid-life. This project consists of converting the propulsion to a conventional propeller system, refurbishment of the passenger cabin, extensive hull work, major system renovation, and replacement of control systems and navigation electronics. In March 2013 the Board of Directors approved the contract award to Marine Group Boat Works. The *Bay Breeze* arrived at the Shipyard on April 18, 2013 and the project is near completion. Sea trials have been completed and the *Bay Breeze* returned to San Francisco on May 29. Outfitting, crew training and U.S.C.G. inspections have occurred. Final settings of the vessel automation system are being addressed with the *Bay Breeze* going into service in early July.

Vessel Replacement –The *Encinal* and *Harbor Bay Express II* are included in the FY 2013/14 Capital Budget for replacement as they have reached the end of their useful lives (generally 25 years) and staff has secured funding commitments for replacement vessels. In December 2013, the Board of Directors approved the contract award to Aurora Marine Design (AMD) for vessel construction management services. A kickoff meeting was held in January to establish project requirements. As part of the bid document development, AMD has met with major propulsion vendors to gain information to develop a database of powering options and emissions tier specifications. To ensure we are able to attract the greatest number of bidders, AMD has conducted surveys with relevant shipyards to determine which, if any, contract requirements are too restrictive which may prevent them from bidding on the projects.

Clipper Fare Media Implementation – Clipper is currently available as fare payment media for the Alameda/Oakland/South San Francisco, Alameda/Oakland/San Francisco, and Alameda Harbor Bay/San Francisco routes. WETA is working with MTC to develop software programming and acquire equipment

required to implement Clipper for the Vallejo ferry service. WETA completed Clipper site preparation activities at the Vallejo Ferry Terminal this month and will complete similar work at the North Bay Maintenance Facility in July 2014. Clipper should be available for the Vallejo ferry service by fall 2014.

In addition, staff is participating in a long-term strategic planning effort initiated by MTC and transit operators for the Clipper program. Items under consideration include potential changes to the contracting model and governance structure through which the current Clipper program is delivered. A regional recommendation is expected pending future discussions and development of the strategic plan.

North Bay Operations and Maintenance Facility – This project will construct a new ferry maintenance facility located at Building 165 on Mare Island in Vallejo in two phases. The landside phase includes site preparation and construction of a new fuel storage and delivery system along with warehouse and maintenance space. The waterside phase will construct a system of modular floats and piers, gangways, and over-the-water utilities. The existing ferry maintenance facility (Building 477) will be cleaned up as required prior to surrender to Lennar Mare Island, the property owner of the land portion of the project site.

The Board of Directors awarded the contract for the landside phase to West Bay Builders in summer 2013. The design/build team has submitted building permit materials to the City of Vallejo for review. The first building permit is anticipated to be issued in July 2014.

The NEPA environmental review work for the Navy waterside portion is underway on behalf of the Navy. The Navy must complete this documentation prior to entering into a lease with WETA to use the waterside portion of the site. Release of the Draft NEPA Environmental Assessment (EA) is anticipated in July 2014. All required permits for the waterside construction phase of the project have been received.

Central Bay Operations and Maintenance Facility – This project will develop an operations and maintenance facility at Alameda Point to serve as the base for WETA's existing and future central bay ferry fleet. The proposed project would provide running maintenance services such as fueling, engine oil changes, concession supply, and light repair work for WETA vessels. The new facility will also serve as WETA's Operations Control Center for day-to-day management and oversight of service, crew, and facilities. In the event of a regional emergency, the facility would function as an Emergency Operations Center, serving passengers and sustaining water transit service for emergency response and recovery.

Staff is currently working to complete the BCDC and US Army Corps of Engineers permitting processes and 30% Plans, Specifications, and Engineering. Staff is also working with the City of Alameda to finalize terms of a lease agreement for the project site, which will be presented to the Board for consideration at an upcoming meeting. The U.S. Department of Transportation and Federal Department of Transportation announced award of \$3 million in the Passenger Ferry Grant Program funds to support project construction on June 2, 2014.

Richmond Ferry Service – This service will provide an alternative transportation link between Richmond and downtown San Francisco. The conceptual design includes plans for replacement of an existing facility (float and gangway) and a phased parking plan.

The CEQA Initial Study/Mitigated Negative Declaration (IS/MND) was released on May 6. The Initial Study identified potentially significant effects; however, the implementation of mitigation measures identified in the IS/MND would reduce potentially significant effects to less-than-significant levels. In accordance with CEQA and the CEQA Guidelines, a 30-day public and agency review period for the IS/MND commenced on May 6 and concluded on June 4. It is anticipated that the Final IS/MND will be brought to the Board for adoption at the August 2014 Board meeting. Staff is also working with City of Richmond staff to develop a Project Agreement that defines project service levels and identifies capital and operating funding through a project funding plan.

Berkeley Ferry Service – This service will provide an alternative transportation link between Berkeley and downtown San Francisco. The environmental and conceptual design work includes plans for shared use of an existing City owned parking lot at the terminal site between ferry and local restaurant (H^s Lordships) patrons. City participation is required in order to move the project forward and reach agreement on a shared use concept. The project will require a conditional use permit reviewed by the City's Planning Commission, Zoning Adjustment Board, and City Council. Similar to Richmond, a Memorandum of Understanding defining the project and identifying funding sources will also be developed for adoption by the City Council and WETA Board.

The Final EIS/EIR was submitted to FTA review in early October 2012. The remaining activities include resolution of Section 7 consultation and Essential Fish Habitat Assessment with NOAA and NMFS. NOAA and NMFS will issue a Biological Opinion (BiOp) on the project. The BiOp is required prior to completion of the Final EIS/EIR.

Treasure Island Service – This project, which will be implemented by the Treasure Island Development Authority (TIDA), the Mayor's Office of Economic and Workforce Development and the prospective developer, will institute new ferry service to be operated by WETA between Treasure Island and downtown San Francisco in connection with the planned Treasure Island Development Project. The development agreement states that ferry operations would commence with the completion of the 50th residential unit.

WETA staff is working cooperatively with City of San Francisco staff on this City-led project. In June, staff participated in a Technical Advisory Committee Meeting to revisit and update transportation assumptions for the Treasure Island Mobility Management Program.

Downtown San Francisco Ferry Terminal Expansion Project – This project will expand berthing capacity at the Downtown San Francisco Ferry Terminal in order to support new and existing ferry services to San Francisco as set forth in WETA's Implementation and Operations Plan. The proposed project would also include landside improvements needed to accommodate expected increases in ridership and to support emergency response capabilities if a catastrophic event occurs. Upon request from the FTA, this project has been included in the Federal Infrastructure Projects Permitting Dashboard, an initiative of the Federal Transit Administration to expedite federal permitting processes for nationally or regionally significant projects.

On June 30, 2014 NOAA and NMFS issued a Biological Opinion (BiOp) concluding the Section 7 Endangered Species Act consultation and Essential Fish Habitat Assessment required for the project. A Final EIS/EIR is scheduled for release this summer, pending final review by FTA. FTA has informed WETA that it will be combining its Record of Decision with issuance of the Final EIS/R, which will expedite approval of the project under the National Environmental Protection Act.

Hercules Environmental Review/Conceptual Design – The Hercules Intermodal Transportation Terminal will bring together multiple modes of travel at a strategic waterfront location adjacent to future development in Hercules. A ferry terminal is one component of the project, now considered in a later phase of implementation after the construction of parking and rail improvements. As planning and funding activities are underway for the Intermodal Transportation Center, the Contra Costa County Transportation Authority is also developing a Financial Feasibility of Contra Costa Ferry Service Report (White Paper) to assess the feasibility and priority of new ferry services considered in Contra Costa County.

Antioch, Martinez and Redwood City Ferry Service Projects – These projects require conceptual design, project feasibility, and environmental review for potential future ferry services to the cities of Antioch, Martinez, and Redwood City. Draft site feasibility reports have been prepared and distributed to the cities for review. The feasibility reports were prepared to identify site constraints and design requirements to better understand project feasibility and cost. Staff is working with the Contra Costa County Transportation Authority, as the county transportation planning and funding authority, on determining next steps for the Contra Costa ferry services under development.

Contra Costa County Ferry Subcommittee – Staff is working with the Contra Costa County Transportation Authority (CCTA) and representatives from the cities of Antioch, Martinez, Hercules and Richmond to study implementation of ferry expansion services in Contra Costa County. A White Paper evaluating the financial feasibility of candidate Contra Costa County ferry services was recently completed in draft form. Results of this study will inform stakeholders on specific site and service details for discussion and development of a countywide approach to developing services and funding support. The subcommittee met in April 2014 to review the paper's final findings and discuss next steps for releasing the paper to the CCTA Board and general public. CCTA is leading this effort and the CCTA Board considered the findings of the White Paper at their meeting on June 18, 2014 and released the report to the public.

Alameda Terminals Access Study – Both ferry terminals in Alameda have experienced a surge in ridership beginning with the first BART strike in July 2013. As a result, parking at both terminals typically spills onto adjacent streets and informal parking lots. WETA will partner with the City of Alameda staff to prepare plans to address the immediate issue and identify long term solutions. Staff has secured the consultant services of Nelson Nygaard through its on-call planning agreement with KPFF, Inc. to support the project.

In March, WETA hosted public workshops near each Alameda terminal to solicit ideas from riders and residents alike about how access for each terminal could be improved. WETA has reviewed the results of these workshops with the City of Alameda and received the City's input concerning potential access improvements that would be implemented within its jurisdiction. Additionally, staff has met with AC Transit to specifically discuss potential options for improving transit access. In June, staff hosted a second set of public workshops to review its preliminary assessment of potential improvement options based on cost/funding, benefit, feasibility, and community support. Staff has been invited to attend the Alameda Transportation Commission meeting in late July to discuss the study and the ferry service in general. Staff expects to release a draft study this fall for public review that includes a set of recommended access improvements and funding strategies for each Alameda terminal.

Alameda Seaplane Lagoon - The City of Alameda has proposed a new ferry terminal located on the Alameda Point property, the former Alameda Naval Air Station Base. WETA staff met with staff from the cities of Alameda and Oakland along with the Port of Oakland on June 12, 2014 to kick off an operational study of Seaplane Lagoon. The goal of the study is to identify the range of service alternatives for ferry service in the central bay considering terminals at Seaplane Lagoon, Main Street and/or Jack London Square in Oakland. The costs, service quality and ridership implications of each each service scenario will be estimated. A second meeting has been scheduled for July to discuss conceptual schedules and operational costs. The operational study will ultimately feed into a concept engineering study that will estimate capital costs and permitting requirements for a new facility.

Fare Policy Study – The purpose of this study is to review WETA's fare schedule and policy and evaluate options for adopting a multi-year fare program. The study will consider modifications that would promote greater consistency among fare categories, fare products, and discount pricing available on WETA services. Additionally, the fare program will propose a mechanism by which future changes to WETA fares are made. WETA has enlisted CH2M Hill through its on-call planning agreement with Jacobs Engineering to provide consultant services to support the project.

The proposed Fare Program for FY 2015-2020 has been provided on the San Francisco Bay Ferry website and is available in multiple languages. To facilitate public comments, staff recently hosted informational meetings in Oakland, Vallejo, Alameda, and San Francisco to discuss details of the proposal. Meeting notices and instructions for providing comments by email or mail were posted at ferry terminals and onboard vessels, and also provided to riders through email and social media outlets. Riders are encouraged to submit email comments through July 15, 2014 and will have an additional opportunity to provide formal comments on the final proposed Fare Program during a Public Hearing that is tentatively

scheduled for August 2014. Adoption of a final proposed Fare Program would be subject to subsequent approval by the WETA Board.

Electronic Bicycle Locker Program – This project would expand the availability of secure bicycle parking throughout the WETA system to promote bicycle access to ferry terminals and potentially reduce bicycle congestion on-board ferry vessels. WETA currently provides electronic bicycle lockers at its South San Francisco and Harbor Bay ferry terminals and intends to provide similar lockers at each of its origin terminals. In June 2014 WETA received a \$50,000 grant from the Bay Area Air Quality Management District's (BAAQMD) Transportation Fund for Clean Air program for installation of electronic bicycle lockers at the Alameda Main Street and Vallejo ferry terminals.

UPDATE ON RELEVANT PROJECTS IMPLEMENTED BY OTHER AGENCIES

Warriors Arena/Mission Bay Ferry Terminal – The Golden State Warriors basketball team has identified a preferred arena site at the foot of 16th Street in the Mission Bay neighborhood of San Francisco. A Mission Bay ferry terminal has been identified in both WETA and City of San Francisco planning documents as a potential future infrastructure investment. WETA staff will continue to coordinate with the Warriors, the Port of San Francisco, and the City of San Francisco along with other relevant stakeholders to integrate the development of the project with existing and/or future WETA ferry services to San Francisco as opportunities present themselves.

Vallejo Station – Vallejo Station is a compact, transit-oriented mixed-use project in the City of Vallejo that includes two major transit elements – a bus transfer facility that consolidates local, regional, and commuter bus services and a 1,200 space parking garage for ferry patrons and the general public. The first phase of the Vallejo Station Parking Structure, which included a 750 space paid parking structure, was opened in October 2012. Construction of Phase 2 of this facility is dependent upon the City securing funding and the relocation of the U.S. Post Office.

OUTREACH, PUBLIC INFORMATION, AND MARKETING EFFORTS

On June 24, Keith Stahnke participated on the S.F. Dept. of Emergency Management Fleet Week 2014 Tabletop Exercise (TTX) Exercise Design Team.

On June 24, Kevin Connolly, Mike Gougherty and Scott Houston hosted a public workshop near the Alameda Harbor Bay terminal for the Alameda Terminals Access Study.

On June 25, Mike Gougherty and Lauren Gularte hosted a public workshop near the Alameda Main Street terminal for the Alameda Terminals Access Study.

On June 17, staff met with Kevin Solon, Director of Transportation & Logistics for the SF Bay Area Super Bowl Host Committee to discuss transportation needs for Super Bowl 2016 events.

On July 1, staff met with John Murray of Senator Feinstein's staff to provide him with an update on WETA's program and projects.

On July 2, Chad Mason provided a presentation to the Solano Sunset Rotary Club on the North Bay Operations and Maintenance Facility project.

On July 2, Mike Gougherty attended the Port of San Francisco's Northeastern Waterfront Advisory Group (NEWAG) on behalf of WETA.

OPERATIONS REPORT

The Monthly Operating Statistics Report for June 2014 is provided as Attachment 1.

Attachment 1

Monthly Operating Statistics Report June 2014

			Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
Ridership	vs. last month	Total Passengers June 2014	84,052	20,467	7,740	80,885	193,144
		Total Passengers May 2014	79,392	19,977	7,581	76,555	183,505
		Percent change	5.87%	2.45%	2.10%	5.66%	5.25%
	vs. same month last year	Total Passengers June 2014	84,052	20,467	7,740	76,719	188,978
		Total Passengers June 2013	66,746	17,522	5,117	71,920	161,305
		Percent change	25.93%	16.81%	51.26%	6.67%	17.16%
	vs. prior FY to date	Total Passengers Current FY To Date	821,633	246,695	84,098	826,445	1,978,871
		Total Passengers Last FY To Date	606,690	203,131	40,505	713,300	1,563,626
		Percent change	35.43%	21.45%	107.62%	15.86%	26.56%
			Avg Weekday Ridership June 2014	2,765	975	369	2,964
Ops Stats		Passengers Per Hour	185	164	56	124	141
		Revenue Hours	455	125	138	650	1,368
		Revenue Miles	5,781	2,818	2,115	17,424	28,138

* Vallejo ridership includes ferry + 4166 Route 200 bus passengers.

MEMORANDUM

TO: Board Members

FROM: Peter Friedmann, WETA Federal Legislative Representative
Ray Bucheger, WETA Federal Legislative Representative

SUBJECT: WETA Federal Legislative Board Report – June 30, 2014

Status of the MAP-21 Reauthorization Process

MAP-21, which was signed into law on July 6, 2012, contains two programs dedicated to providing funding for public ferry systems: the FHWA Ferry Boat Formula Grant Program and the FTA Ferry Boat Discretionary Grant Program. Legislation to reauthorize MAP-21 was approved by the Senate Environment and Public Works (EPW) Committee on May 15, 2014. Unfortunately, the other Senate Committees with jurisdiction over MAP-21 (Banking Committee and Commerce Committee) have not yet acted. As a result, there are no near-term plans for a vote by the full Senate. On the other side of the Capitol, the House Transportation and Infrastructure (T&I) Committee has given no indication it will move its MAP-21 bill forward anytime soon. One of the primary reasons for the lack of activity is the fact that Committee leaders have not agreed on a mechanism to pay for a long-term (4-6 year) bill. As a result, current activities in Congress are focused exclusively on a short-term extension. Presuming Congress ultimately identifies a long-term funding option, we see some great opportunities for ferries generally, and for WETA, specifically – these opportunities are described below.

Status of Efforts to Identify Funding for Federal Highway and Transit Programs

There has been a lot of attention paid to the looming insolvency – perhaps as early as August – of the Highway Trust Fund, which pays for roads and bridges. Until now, however, there has been less discussion about the Mass Transit Account, which is a subset of the Highway Trust Fund. Department of Transportation (DOT) Secretary Anthony Foxx wrote this week to recipients of federal transit dollars that the transit account could face insolvency before the end of December, explaining that DOT will have to delay transit project reimbursements if the balance dips too low. Congress is working to avoid this scenario, although election year politics is limiting the available options – the House Ways and Means and Senate Finance Committees, responsible for identifying funding options – are focused exclusively on a short term fix (likely through the end of the year) and are delaying discussions about a long term solution until after the election. While it is highly unlikely that Congress will actually let the Highway Trust Fund and Mass Transit Account go bankrupt, we don't expect resolution until the last minute (i.e., look for a growing number of "doom and gloom" news articles in the coming weeks). Furthermore, we anticipate future short term "fixes" in 2015 while Congress grapples with how to pay for a long term surface transportation bill (reauthorization of MAP-21).

Working to Preserve Positive Changes to Ferry Boat Formula Grant Program

As previously reported, the Senate Environment and Public Works (EPW) Committee's MAP-21 reauthorization bill increases funding for the Ferry Boat Formula Grant Program from \$67 million to \$75 million and changes the formula from one that disadvantages WETA [45% vehicles, 35% route miles, 20% passengers] to one that is more favorable for WETA [35% passengers, 35% vehicles, 30% route miles]. By increasing the significance given to passengers (and reducing the weight for route miles and vehicles), and because of the new level of funding, WETA stands to gain approximately \$800,000 per year with these changes, a number that would increase in future years as WETA passenger numbers increase. Because advocates for other systems will contest this proposal as the bill proceeds through the legislative process, WETA is proactively working to preserve these changes, and is aligned with Washington State and NYC (Staten Island).

Continuing to Advocate for a More Beneficial FTA Ferry Boat Discretionary Grant Program

We continue to work with NYC (Staten Island), NJ and Washington State ferries to make the FTA Ferry Boat Discretionary Grant Program (under the jurisdiction of the Senate Banking Committee) work better for WETA. First, we are working to increase the overall level of funding for the program from \$30 million per fiscal year to \$50 or \$60 million per fiscal year. With only \$30 million currently available nationally, and with significant competition for these limited funds, no system can count on more than a modest grant once in a while. Second, we are advocating for \$1 million in base funding for systems like WETA (with over a million passengers annually) with the balance of the funding distributed by formula, based on number of passengers only.

Strengthening Relationships with California Congressional Delegation

We continue to build relationships with Members of Congress who are in a position to advocate effectively for the legislative proposals that would benefit WETA (as described above), as well as for specific grants (such as the recent Central Bay Operations and Maintenance facility award). We also intend to build on recent WETA boat tours with Representatives Mike Thompson and John Garamendi by working to get Senator Feinstein and Senator Boxer on a WETA boat later this year.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING

(June 19, 2014)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the WETA offices at Pier 9, Suite 111, San Francisco, CA.

1. ROLL CALL AND CALL TO ORDER

Acting Chair Anthony Intintoli called the meeting to order at 1:00 p.m. Other directors present were Director Jeff DelBono and Director Timothy Donovan. Director Donovan led the pledge of allegiance.

2. REPORT OF BOARD CHAIR

No report.

3. REPORT OF DIRECTORS

No report.

4. REPORTS OF STAFF

Executive Director Nina Rannells referred the Board to the Federal Legislative Report, noting that Assembly Bill 935 had been amended on June 9 to be used for another purpose.

Ms. Rannells then introduced intern Nikol Eddy, a student at the California Maritime Academy, adding that she had been assisting Manager of Public Information and Marketing Ernest Sanchez on the BayAlerts customer notification system as well as assisting at Blue & Gold Fleet.

Chair Intintoli asked several questions regarding the Executive Director's report. He first asked about the funding for vessel replacement as it related to funding available. Ms. Rannells said that existing vessels were eligible for replacement through MTC's capital priority process for 80% funding from FTA. She said that the *Encinal* and *Harbor Bay Express II*, which Chair Intintoli referred to, were eligible for this funding and that Manager of Finance and Grants Lynne Yu and Administrative/Policy Analyst Lauren Gulate were engaged in this process with MTC. Ms. Rannells added that depending on the city that the vessels serve, some may also be eligible for local transportation sales tax funding to support local match to the federal funds.

Chair Intintoli then asked if the amount of Proposition 1B funding was limited for vessel replacement. Ms. Rannells said that it depended on the individual project and that some Proposition 1B money was allocated to vessel replacement or match as well as Regional Measure 2 funding but that the funding picture depended on the individual project and the timing as well as whether it was for vessel replacement or for new construction.

Chair Intintoli suggested that he would like a more thorough overview of WETA's funding picture and that the topic may be appropriate for a Board retreat. Ms. Rannells agreed.

Chair Intintoli asked a question regarding the "30% Plans, Specifications, and Engineering" noted in the report regarding the Central Bay Operations and Maintenance Facility. Ms. Rannells noted that this was a customary benchmark of progress for such projects.

Chair Intintoli then noted a line in the Richmond Ferry Service item in the report referencing an MOU identifying capital and operations funding. He asked if such a funding plan would be in place before WETA committed funding to the project. Ms. Rannells confirmed and noted that staff was working on a

funding plan and agreement for Richmond service, as previously directed by the Board. She added that staff had met with the Richmond City Manager as well as councilmember Tom Butt the previous week to discuss next steps for project funding. She noted that there was considerable work to be done on project funding including securing capital funding through MTC as well as an operations funding commitment from the Contra Costa Transportation Authority (CCTA). Ms. Rannells said that the first step would be development of an MOU/agreement that would outline each stakeholder's responsibility and expectations in order to make sure that all parties fully understood the commitment required to successfully move this project forward.

Manager of Planning and Development Kevin Connolly added that the CCTA's Board had released its White Paper the prior night which detailed the four Contra Costa ferry projects and the projects' feasibility. Mr. Connolly said that the White Paper concluded that the Richmond project was the only viable Contra Costa service in the near-term but the possibility of future development of ferry service in the other locations was left open.

Chair Intintoli asked what "bifurcated service" meant regarding the City of Alameda ferry services. Mr. Connolly replied that staff was studying different options for the Alameda service in the event that a new terminal is built at Seaplane Lagoon as a part of the development of Alameda Point. Mr. Connolly noted that the Alameda Main St and Oakland services were connected or "interlined" at present but that interlining will not be possible in the event that the Main St terminal is closed when the Seaplane Lagoon terminal is built. One option would be to split, or "bifurcate" the Alameda/Oakland service into two services; one serving Clay Street in Oakland and one serving Seaplane Lagoon. Mr. Connolly noted that there were eight different scenarios regarding how the terminals could be served and that these had recently been discussed at a meeting with staff from the cities of Alameda and Oakland, the Port of Oakland and the Alameda County Transportation Commission. He added that the conversation would continue over the next four to eight months.

Ms. Rannells added that the term "bifurcated" was originally used in the Transition Agreement between the City of Alameda and WETA which obligated WETA to look at various service options in the event Seaplane Lagoon was developed.

Director DelBono asked what the status was with parking in Alameda and Harbor Bay, noting that he continued to receive comments from the public regarding parking challenges.

Ms. Rannells replied that a terminal Access Study was underway. Mr. Connolly said that rider surveys had continued over the prior three weeks and that two more Access Study public workshops were scheduled for the next week to receive input regarding potential solutions to the parking challenges at both terminals. He added that he anticipated a response from the City regarding parking in the area near the Main St. terminal soon.

Chair Intintoli asked if a parking structure similar to the one in Vallejo was practical in Alameda. Mr. Connolly said that the City would be unwilling to invest in a structure at the Main St. terminal as it hoped to move the terminal to Seaplane Lagoon. He added that additional parking at Harbor Bay was uncertain.

Director Intintoli asked if there was a concern regarding farebox recovery being reported at less than 40%. Ms. Rannells noted that that number was an average of all the services and that the services had differing criteria. For example, she noted that MTC required that the South San Francisco service meet 40% after three years but that the all-day Alameda/Oakland and Vallejo services were only required to meet 30%. She pointed out that the system-wide average was 38% and that May was at 111% of budget for the year as a result of both the BART strikes and the overall increases in ridership.

Chair Intintoli noted that the total reported FY 2013/14 budget amount had increased in the monthly report through May and asked what had changed from the prior month. Ms. Yu replied that the change

reflected the Board action the prior month to increase the capital budget for the East Bay Ferry Terminals Refurbishment project.

5. CONSENT CALENDAR

Director DelBono made a motion to approve the consent calendar which included:

- 1) The Board of Directors meeting minutes of May 8, 2014
- 2) Approve Amendment to Agreement with the Association of Bay Area Governments for the Provision of Accounting Support Services
- 3) Approve Amendment to Agreement with Solano County Transit for the Provision of Bus and Ticketing Services
- 4) Approve Purchase of Commercial Insurance Policies

Chair Intintoli asked if there had been any changes to insurance costs. Manager of Operations Keith Stahnke replied that there had been no change to marine insurance. Manager of Administration and Business Services Melanie Jann said that there were only slight increases to non-marine insurance. Ms. Rannells stated that the largest insurance increases for the FY 2014/15 year had been vessel insurance which was purchased through Blue & Gold Fleet and that this was noted in the budget discussion.

Chair Intintoli asked if, in the event that ferry service to a Giants game sold out, if WETA should hire buses. Mr. Sanchez responded that sold out games were a testament to the success of the online sales system, noting that the customers appreciated guaranteed seats and that games were typically selling out three or four days in advance and that it was terrific.

Chair Intintoli asked if there would be a financial benefit to having a second boat or additional buses. Ms. Rannells noted that the Giants ferries were priced to cover costs and that there would be a financial risk to adding a second vessel if there wasn't enough demand to fill the boat. Chair Intintoli asked if a bus would be practical. Ms. Rannells suggested that riders buying a ferry ticket may be unsatisfied with riding a bus. Chair Intintoli noted that the Giants ferry was a great marketing tool.

Director Donovan seconded the motion and the consent calendar carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

6. APPROVE AMENDMENT TO AGREEMENT WITH FAST FERRY MANAGEMENT, INC. FOR THE PROVISION OF MARINE SERVICES

Ms. Rannells presented this item requesting Board approval of Amendment No. 6 to the agreement with Fast Ferry Management, Inc. for the provision of marine services in FY 2014/15 for a not to exceed amount of \$260,000 and to authorize the Executive Director to execute the amendment.

Chair Intintoli asked if it could be clarified in the resolution that the contract be for a "not to exceed" amount. He also said that he appreciated Fast Ferry Management's reports as prepared by Marty Robbins and that he would like to see a similar report for all the services. Ms. Rannells noted that Administrative Analyst Scott Houston was working on a report format for all services that would be provided in the near future.

Director Donovan asked if Mr. Robbins would be interested in providing such reports for all the services. Ms. Rannells said that he would be a part of the conversation regarding what the new report format would include.

Director Donovan made a motion to approve the item. Director DelBono seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

7. APPROVE AMENDMENT TO AGREEMENT WITH NOSSAMAN LLP FOR THE PROVISION OF LEGAL SERVICES

Ms. Rannells presented this item requesting that the Board approve Amendment No. 18 to the agreement with Nossaman LLP in the amount of \$550,000 for the provision of legal services for FY 2014/15 and authorize the Executive Director to execute the amendment.

Chair Intintoli asked again if it could be clarified in the resolution that the contract be for a “not to exceed” amount and that this language be included in all applicable resolutions.

Director DelBono said that it was his understanding from prior discussion that RFPs were to be issued for these annual contracts included in the current agenda. Ms. Rannells said that the prior item was to authorize her to negotiate the contracts at hand and that her intent was that should the Board want to issue RFPs on any of these contracts that staff be told early in the year with enough time to go out to bid and be in a position to award new contracts in June. She added that, should the Board want staff to go out to bid for these services in the next fiscal year, FY 2015/16, it would be helpful to know this now.

Director DelBono said that he recalled differently and that his understanding was that the intent was to authorize WETA to go out to bid on these agreements and that additional information on the status and performance on these contracts would come back to the Board. Director Donovan agreed. Ms. Rannells said that the current items included background on each of the contracts and work.

Director DelBono made a motion to approve the item with Chair Intintoli’s change. Director Donovan seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

8. APPROVE AMENDMENT TO AGREEMENT WITH NEMATODE MEDIA, LLC (DBA BAY CROSSINGS) FOR ADVERTISING IN BAY CROSSINGS AND OTHER SERVICES

Ms. Rannells presented this item requesting Board approval of Amendment No. 6 to the agreement with Nematode Media, LLC (DBA Bay Crossings) in the amount of \$48,000 for advertising in *Bay Crossings* and other public information/marketing services and authorize the Executive Director to execute the amendment.

Vice Chair Intintoli asked if this was for a fixed amount. Ms. Rannells said that it was. Ms. Rannells stated that she felt it was a great value as Bay Crossings provided the only outlet for information and ticket sales in the Ferry Building.

Vice Chair Intintoli noted that the Route 200 bus was not included on the ferry flap sign in the Ferry Building and that it was confusing to riders who were trying to get back to Vallejo. Ms. Rannells said she was not aware of this and Mr. Stahnke said that he would approach MTC regarding this issue.

Director Donovan made a motion to approve the item. Director DelBono seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

9. ADOPT THE 2014 LEGISLATIVE PROGRAM

Ms. Gularte presented this item requesting that the Board approve, by motion, the legislative program for 2014.

Public Comment

Veronica Sanchez of Masters, Mates & Pilots thanked WETA for acknowledging MMP’s work in securing \$3 million in grant funding for the Central Bay Operations & Maintenance Facility noting that it

was a great example of cooperation. She asked that WETA continue to include unions, municipalities and stakeholders in the funding process adding that it was especially important now as the City of San Francisco was not currently as engaged with maritime concerns as they could be.

Chair Intintoli agreed and added that more personal outreach by the Board would be desirable on both a state and federal level. Director DelBono said that he would like to be involved with outreach and developing a strategy adding that he would like to discuss this topic more at a Board retreat. Ms. Rannells said that she was currently working on such an outreach program and would be bringing it back to the Board. She said that the federal side was well organized but that more action was needed on the state side. Vice Chair Intintoli said that such a conversation was rendered more challenging without a full Board. He recommended scheduling a retreat for the next month and advising the Governor's Office that continuing to move forward without Board appointments would impair progress in this realm. Ms. Rannells agreed and said that she would proceed with this plan.

Director DelBono made a motion to approve the item. Director Donovan seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

10. APPROVE AMENDMENT TO AGREEMENT WITH LINDSAY HART, LLP FOR THE PROVISION OF FEDERAL LEGISLATIVE REPRESENTATION

Ms. Rannells presented this item requesting that the Board approve Amendment No. 13 to the agreement with Lindsay Hart, LLP in the amount of \$125,000 for the provision of federal legislative representation for FY 2014/15 and authorize the Executive Director to execute the amendment. She noted a change over prior years in that this agreement provided a fixed fee and expense contract.

Director DelBono noted his lobbying efforts in Washington on behalf of WETA with Mr. Friedmann's office, indicating that it was obvious that the firm was effective and well regarded.

Director Donovan made a motion to approve the item. Director DelBono seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

11. APPROVE AMENDMENT TO AGREEMENT WITH BROAD & GUSMAN, LLP FOR THE PROVISION OF STATE LEGISLATIVE REPRESENTATION

Ms. Rannells presented this item requesting that the Board approve Amendment No. 4 to the agreement with Broad & Gusman, LLP in the amount of \$66,000 for the provision of state legislative representation in FY 2014/15 and authorize the Executive Director to execute the amendment. She added that she would soon be meeting with Mr. Broad and Mr. Perata to ensure that their efforts were coordinated.

Chair Intintoli said that he would like Mr. Broad to present reports to the Board on a quarterly basis at a minimum.

Director DelBono asked how many hours the firm was working for WETA and if their services were required. Ms. Rannells replied that Mr. Broad had been available and effective whenever his work had been needed. Chair Intintoli added that Mr. Broad was well regarded and had delivered in the past but that WETA had not taken full advantage of his services.

Director Donovan made a motion to approve the item. Director DelBono seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

12. AUTHORIZE RELEASE OF A REQUEST FOR QUALIFICATIONS FOR TECHNICAL AND CONSTRUCTION MANAGEMENT SERVICES FOR VALLEJO DREDGING PROJECT

Mr. Stahnke presented this item requesting that the Board authorize the release of a Request for Qualifications for Technical and Construction Management services for the 2015 Vallejo dredging project.

Chair Intintoli asked if dredging would be required on the Mare Island side as well as by the terminal. Mr. Stahnke said that it would not be.

Director Donovan asked if the contract would be brought back to the Board for award. Mr. Stahnke said that it would be.

Director DelBono made a motion to approve the item. Director Donovan seconded the motion and the item carried unanimously.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

13. SUMMARY OF EMERGENCY PREPAREDNESS AND RESPONSE ACTIVITIES

Mr. Stahnke delivered an informational item to the Board regarding emergency preparedness and response activities.

Chair Intintoli noted that it was a challenge to balance emergency response with operations and that adequate funding to support operations was key to existing as a viable service. He added that securing adequate funding before expanding with new services was essential and that everything that WETA does to build and maintain ferry facilities and assets serves to support having these available to serve in an emergency response capacity.

Director DelBono emphasized the importance of being prepared and asked if WETA should hire dedicated emergency staff. He added that he did not think WETA's role was well-defined by the state. Ms. Rannells replied that when WETA developed its original emergency management plan, as directed by the State Legislature, staff worked extensively with OES, the Coast Guard and other entities to define WETA's role and temper expectations with what WETA can realistically deliver.

Chair Intintoli noted that the plan was now five years old and should be reviewed. Director DelBono indicated that he understood the challenge of managing expectations and suggested that it might be helpful to engage the services of a professional with an emergency response background to assist.

Public Comment

Jerry Bellows of the Maritime Administration noted that as a participant in many exercises with the Maritime Administration and Cal OES that he was aware of the limitations and that this item showed what WETA can, and is prepared, to do to support the regional response in an emergency.

Public Comment

Ms. Sanchez added that she would like to see the development of ID cards that could help crew gain access similar to first responders adding that this kind of credentialing could be legislatively mandated. She also suggested that WETA acquire additional boats in an emergency and coordinate this with other operators. Ms. Sanchez noted significant expectations from the public, but her experience indicated that the Port of San Francisco would not clear terminal facilities for opening for at least 24 hours after a catastrophic event and noted that people needed to know this and make backup plans.

1. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Director Intintoli called the meeting into closed session at 2:11 p.m. Upon reopening of the meeting at 3:00 p.m., Director DelBono made a motion to authorize the Executive Director to negotiate and enter

into a settlement agreement with Bay Ship & Yacht for relocation of the Alameda Main Street Float and other related work. Director Donovan seconded the motion.

Yeas: DelBono, Donovan, Intintoli. Nays: None.

2. ADJOURNMENT

All business having concluded, the meeting was adjourned at 3:05 p.m.

Respectfully Submitted,

Board Secretary

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development
Chad Mason, Senior Planner

SUBJECT: Award Contract to Dutra Construction Company for Waterside Construction of the North Bay Operations and Maintenance Facility and Regional Spare Float

Recommendation

Approve the following related actions for the contract award for waterside construction of the North Bay Operations and Maintenance Facility and construction of the Regional Spare Float:

1. Approve contract award to Dutra Construction Co., Inc. (Dutra) for design-build construction in an amount not-to-exceed \$15,671,900;
2. Authorize the Executive Director to negotiate and enter into a contract for this work and take any other related actions as may be necessary to support this work; and
3. Authorize a budget increase to the Regional Spare Float Replacement project in the FY 2014/15 Capital Budget in the amount of \$562,000 to support contract award.

Background/Discussion

May 23, 2013, the Board of Directors authorized release of the RFP for construction of the Regional Passenger Ferry Float project. On December 12, 2013, the Board of Directors authorized release of the Request for Proposal (RFP) for the waterside construction of the North Bay Operations and Maintenance Facility. The scopes of work for both projects were combined into a single RFP that was released on February 28, 2014. The work included under this RFP is as follows:

- **Waterside Construction.** The waterside construction phase of the North Bay Operations and Maintenance Facility project includes construction of three new full-service berths (capable of accommodating maintenance and passenger service activities) and one maintenance-only berth for the ferry vessels in a configuration with two 124-foot long finger floats and a 200-foot long maintenance float. A second maintenance berth, adjacent to the quay wall, would be used in the event that a large land-based crane was necessary for a repair such as removing an engine. Basic services including fueling, potable water, shore power, sewage disposal, urea, bilge water, lube and waste oil, and compressed air will be provided at each of the three full-service berths.
- **Regional Spare Float Construction.** The Regional Spare Float Replacement project consists of constructing a spare passenger float that can be utilized as a back-up for the Vallejo, San Francisco and other terminal floats during periodic maintenance dredging

and when passenger floats must undergo periodic dry-dock, maintenance or repair. In addition, it will be a valuable asset to have available for use in planned or emergency situations when additional bayside access may be necessary.

WETA used the professional engineering services of GHD to prepare the construction plans and to write the basic engineering specifications that detail the requirements for the waterside construction phase of the Maintenance Facility Project. Weston, WETA's construction manager for the Maintenance Facility Project, also assisted with technical review of the plans and specifications. Ghirardelli Associates Inc. is WETA's construction manager for the Regional Spare Float Replacement project and assisted with related project components.

Procurement Process:

The procurement process involved issuance of an RFP, as it is a "design build" construction project, meaning that the selected contractor must complete design work to WETA's specifications. The RFP was released on February 28, 2014 to the construction industry. Notice of the availability of this RFP was sent to WETA's mailing list, noticed at Builders Exchanges throughout California, as well as posted on the Agency's website consistent with the Authority's Administrative Code.

On March 12, 2014, WETA conducted a Pre-Proposal Conference at the Maintenance Facility Project site. Technical proposals were received on April 16, 2014.

Evaluation Process:

The RFP followed a two-step proposal process that required proposers to first submit a technical proposal for review and scoring. Technical proposals were evaluated, interviews were conducted and competitive range was identified. Proposers within the competitive range were asked to submit sealed price proposals. This two-step process identified the most qualified firms WETA would consider for award the contract based on combined technical and price rankings.

The technical portion of the evaluation process amounted to 50% of the total possible score. Technical proposal scores considered each proposer's technical approach to and understanding of the Project, management plan, and experience in building similar structures, references, qualifications of its proposed team, and its safety and environmental awareness programs, among other factors.

Five proposals were received in response to the RFP. A Proposal Evaluation Committee (PEC) was convened by the Executive Director to score the proposals submitted by each firm based on the above criteria. Interviews were conducted on May 30, 2014. After review of technical proposals and interviews, the PEC determined that three of the five proposers were in the competitive range. Technical proposal scores are shown in the table below.

Firm	Technical Score
Dutra	41.83
Manson	46.17
Power	44.00

Once the technical scoring was complete, the proposers in the competitive range were asked to submit price proposals. The results of the price proposals as submitted to WETA on May 30, 2014 are shown in the table below.

Firm	Price proposal	Score
Dutra	\$13,627,700	50.00
Manson	\$15,873,320	42.41
Power	\$15,562,786	43.54

Pursuant to the review process set forth in the RFP, the information above and the results of the technical and price proposal scores, the final scores are shown in the table below.

Firm	Total Score
Dutra	91.83
Manson	88.58
Power	87.54

Based on these results, the evaluation committee concluded that the proposal from Dutra is the "best value" submittal for this Project. As a result, staff recommends awarding a contract to Dutra for a total amount of \$15,671,855, which includes the bid amount (\$13,627,700) plus a 15% owners contingency (\$2,044,200) to allow for any additive changes that WETA may find it needs to complete the projects to its satisfaction, to add elements that were not in the original specifications or to deal with unforeseen project circumstances that may arise.

Fiscal Impact

The North Bay Operations and Maintenance Facility project is included in the FY 2014/15 Capital Budget at a cost of \$28,500,000. The Regional Spare Float Replacement project is included in the FY 2014/15 Capital Budget at a cost of \$3,300,000. A capital budget increase in the amount of \$562,000, to be funded with available Proposition 1B (Prop 1B) and Federal Transit Administration (FTA) grant funds, is required to fully fund the Regional Spare Float Replacement project at an estimated total cost of \$3,862,000. These two projects are funded with a combination of State Transportation Improvement Program (STIP), Prop 1B and FTA grant funds.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development
Mike Gougherty, Senior Planner

SUBJECT: Establish a LEED Certification Goal for the Central Bay Operations and Maintenance Facility Project Construction

Recommendation

Adopt a certification goal of LEED Silver for the Central Bay Operations and Maintenance Facility.

Background

The Central Bay Operations and Maintenance Facility is being developed at Alameda Point to serve as the base for WETA's existing and future central bay ferry fleet. WETA has completed its environmental review of the proposed project under both CEQA and NEPA and is proceeding with preliminary and final design work to support project permitting and construction procurement. Project construction is scheduled to begin as early as August 2015, subject to finalization of a lease agreement with the City of Alameda and successful award of a construction contract.

Discussion

To date, staff has focused on developing an initial project concept for the Central Bay Operations and Maintenance Facility that incorporates environmental sustainability and green building approaches. In order to ensure and confirm that these approaches are carried through final design and construction, the WETA Board has given staff direction to ultimately consider achieving certification from the Leadership in Energy & Environmental Design (LEED) green building program.

There are a number of reasons that pursuit of LEED certification would be desirable and beneficial. Achieving certification would demonstrate leadership on the part of WETA in fulfilling its mission to develop an environmentally-friendly water transit system. LEED certification of this building would also set important milestones for both WETA and the City of Alameda. Currently, Alameda has only a handful of LEED certified buildings and none within Alameda Point, which is planned to be a sustainable community. Beyond demonstrating WETA's commitment to sustainability values, these benefits include providing an objective method for assessing and monitoring building performance, reducing maintenance and operating costs and creating a more energy efficient, comfortable and healthy work environment.

To achieve LEED certification, projects must satisfy prerequisites and earn points to achieve different rating levels. Projects are evaluated based on criteria such as site

sustainability, water and energy efficiency, building materials, indoor environmental quality, and design innovations. The total administrative cost of certifying a project under the LEED green building program is estimated at approximately \$75,000, excluding the cost of any design changes required.

Staff recently instructed the design team for the Central Bay Operations and Maintenance Facility project to evaluate the feasibility of achieving each level of LEED certification. After reviewing the potential points available to the project, it appears likely that WETA could achieve the most basic rating of "LEED Certified" status for the project without any design changes. To achieve the next available rating of "LEED Silver," modest design changes and additional project components would be required, including increased ventilation, outdoor air delivery monitoring, enhanced commissioning, controllability of systems, green cleaning, enhanced refrigerant management, and green power purchase. The additional cost estimated for design and construction of these components is approximately \$50,000. A rating of "LEED Gold" would require significant additional cost based on speculative or unknown design changes and is therefore not recommended at this time. The highest rating of "LEED Platinum" is not within reach of the project due to the distance of the proposed facility from existing residential neighborhoods and community facilities.

Based on its assessment of the rating options available, staff recommends that the Board adopt a goal of LEED Silver certification for this project. Pursuing a rating of LEED Silver would require additional design changes and new project components; however, the achievement of LEED Silver would ultimately serve to ensure and confirm that the design, construction, and operation of the proposed Central Bay Operations and Maintenance Facility is consistent with the best-in-class strategies and practices for environmental sustainability and green building that are reasonably feasible for this project.

Fiscal Impact

Securing a LEED Silver certification for the Central Bay Operations and Maintenance Facility is estimated to cost \$125,000 and would be funded within the construction budget of this project.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development
Michael Gougherty, Senior Planner

SUBJECT: Overview of Contra Costa Transportation Authority Study on the Financial Feasibility of Contra Costa Ferry Service 2015 - 2024

Recommendation

There is no recommendation associated with this informational item.

Background

The Contra Costa Transportation Authority (CCTA) released the *Financial Feasibility of Contra Costa Ferry Service, 2015 – 2024* study at its June 2014 meeting. The report, which can be viewed in its entirety on CCTA's website (http://www.ccta.net/_resources/detail/45/1), concludes over a year of study by the consulting firm Economics and Planning Systems, Inc. and work with the Contra Costa Ferry Working Group, a collection of staff from CCTA, candidate ferry terminal cities and WETA. The goal of the study was to determine the financial feasibility of potential ferry terminals in Richmond, Hercules, Martinez and Antioch. Contra Costa County Measure J sales tax includes approximately \$45 million in funding for ferry service to West Contra Costa County (Richmond and/or Hercules).

Discussion

Staff will provide an overview of the key findings of the feasibility study at the July 10 meeting. A copy of the Executive Summary is provided as *Attachment 1* to this memorandum.

Fiscal Impact

There is no fiscal impact from the CCTA study.

END

Attachment 1

Draft Final Report

Financial Feasibility of Contra Costa County Ferry Service, 2015 - 2024

The Economics of Land Use



Prepared for:

Contra Costa Transportation Authority

Prepared by:

Economic & Planning Systems, Inc.

May 29, 2014

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1. EXECUTIVE SUMMARY AND FINDINGS

This Report presents a financial feasibility analysis of the four direct service ferry service lines that are being considered for Contra Costa County: Richmond, Hercules, Martinez and Antioch. In addition, the Report also evaluates the feasibility of the combined, or interlined, routes of Antioch/Martinez, Martinez/Hercules and Antioch/Martinez/Hercules so as to understand the magnitude of potential operating efficiencies, as well as changes to the ridership projections. The Contra Costa Transportation Authority (CCTA) commissioned EPS to prepare this Report, in cooperation with the Water Emergency Transportation Authority (WETA).

In the past decade, WETA has assumed operational control of the key San Francisco Bay ferry service routes, expanded service to one new route, and planned for additional ferry service routes. As a part of this planning, a variety of planning, engineering, and environmental review documents have been prepared for the additional ferry service routes, including the proposed future Contra Costa County destinations of Richmond, Hercules, Martinez, and Antioch. However, no specific financial feasibility analysis has been conducted for these routes. Such analysis is sought at this time to understand key financial feasibility issues for the proposed new routes. The findings of the financial feasibility assessment can guide future planning, investment priorities and funding efforts as may be conducted by WETA, CCTA, the County, or the individual cities for which the service is planned.

Simply defined, “financial feasibility” often means that “revenues equal or exceed costs”. However, a measure of feasibility must also account for the magnitude of costs over revenues and also the likelihood that ways can be found to improve revenues or reduce costs. This broader definition is used in this analysis. Specifically, the service routes are compared by their potential farebox revenue recovery ratio (i.e., revenues from ticket sales as a percentage of operating costs) and also by an absolute measure of the systemwide norm of a 40 percent farebox revenue recovery ratio.¹

Determining the revenue/cost balance prospectively, given uncertainties regarding future costs, revenues, performance, etc. is nearly always challenging; however, in the case of the proposed ferry service routes there has been substantial design work conducted for each of the proposed terminals and WETA has extensive ferry operating cost data derived from its existing service routes. There has also been considerable effort placed on estimating potential ridership for the WETA system. Given this body of knowledge, while uncertainties remain, there is a reasonable level of confidence in the data and assumptions used in the analysis in arriving at its feasibility findings.

Preparation of this Report included consultations with the expansion ferry service cities and other stakeholders through a Working Group established by CCTA. Extensive consultations also occurred with WETA staff along with in-depth review of key WETA policy and planning documents and related analysis of their ferry service operations. A financial model has been prepared that estimates annual operating costs for each of the new ferry service routes, including the interlined

¹ The farebox recovery ratio of 40 percent is based on Regional Measure 2 performance standards for commuter ferry services. WETA uses the figure as a systemwide reference point.

routes, between 2015 and 2024 and calculates the level of ridership that would be required to fully fund operating costs with farebox revenue. This level of required ridership is then

compared to the most recent ridership projections prepared by Cambridge Systematics to evaluate the need for additional operating funding. A "basic" level of ferry service was studied in each case focusing on serving commuters between the respective cities and San Francisco.

Key Findings

1. In summary this financial feasibility analysis indicates only one of the four proposed ferry expansion service routes to and from Contra Costa County, Richmond, could operate under existing the WETA ferry service funding formula (i.e. meeting farebox cost recovery targets, etc.). The other service routes will require additional State, regional and/or local funding to create and sustain ferry service. Thus, the financial feasibility of the new service expansion rests on the ability of WETA, CCTA, and the individual cities to identify and develop additional funding sources to cover operating costs for the Hercules, Martinez, and Antioch ferry service routes as well as initial and future capital expenses in a manner that is financially sustainable and allows for the continued operation of the services. These new sources could be local, regional, State, or Federal.
2. There are a range of policy considerations that will affect the operational and financial feasibility of new service to Contra Costa County that are not addressed in this Report. Such policy considerations include how and on what basis current and future funding sources are allocated (i.e., the allocation of Regional Measure 2 (RM-2) funding to expansion routes in addition to existing routes); the process of prioritizing expansion services (which service should come first); the provision of emergency services if transit service appears infeasible; the use of alternative technologies (e.g., hovercraft or other vessels); whether to pursue a direct route or partner with another city for interlined service and the precise determination of how services could be funded. The cities and relevant regional entities will need to work together to coordinate direction on these policy considerations.
3. Considerable planning, engineering, and other technical work has been prepared by WETA and the new service cities that provides the detailed information and assumptions necessary to estimate, with a good deal of confidence, future capital and operating costs and revenues for the new ferry service routes.
4. Establishing ferry service to each of the Contra Costa cities could contribute to the general economic vitality of each city and specifically the vitality of their respective waterfront areas; however, this has not been studied or fully evaluated as part of this Report. Each of the cities cites economic development as a primary objective in planning for ferry service, but in each case, further study by each city would be recommended to properly evaluate the economic impact potential of ferry service relative to current conditions and other development opportunities that also have the potential to catalyze economic development.
5. Establishing ferry service to Contra Costa County would bring the potential for emergency response services to Contra Costa County, as the vessels and terminals used for transit services could be redeployed to provide emergency response services if needed. Each of the cities evaluated in this Report is interested in having emergency response capabilities in the event of an earthquake or other catastrophe that damages roadways and/or makes other

modes of transportation difficult (if not impossible). Potential emergency response services have not been studied or fully evaluated as part of this Report. Further study would be recommended to properly evaluate the need for and/or the potential benefit and cost effectiveness of ferry-related emergency response capabilities. It is WETA's position that new ferry routes must be able to operate sustainably from a feasibility perspective so that any emergency benefits realized from new ferry services rest on solid feasibility grounds.

6. Over the long term WETA faces financial constraints associated with its key revenue source (Bay Area bridge toll funding, Regional Measure 1 (RM1) and RM2, administered by the Metropolitan Transportation Commission (MTC)) not keeping up with inflationary increases in service costs on existing routes, let alone new routes. New or increased funding will be necessary to sustain and improve ferry service. While this Report does not review MTC's or WETA's policies related to the allocation of funding sources, such as bridge toll revenues, policy decisions by WETA and MTC will affect the feasibility considerations of expanding service to Contra Costa County.
7. System-wide, WETA targets a minimum 40 percent farebox revenue recovery ratio. With the exception of the South San Francisco service which just recently started up in 2012, all services meet or exceed the 40 percent target. While not a perfect metric for assessing feasibility, it provides a general indication of potential relative performance. With respect to this metric, the Richmond service is the only one that is shown by the financial analysis to be feasible with a projected farebox revenue recovery percentage of approximately 44 percent. The other direct routes have farebox revenue recovery ratios of 12 percent (Martinez), 14 percent (Hercules), and 20 percent (Antioch). For each of the cities, additional non-farebox revenue will be required to fund the direct route services, ranging from \$20 million during the 10-year period (net present value (NPV)) for Richmond to \$61 million during the 10-year period (NPV) for Martinez.²
8. If service routes were combined, the interlined route would realize operating efficiencies because vessels and crews could be shared; however, for the first on/last off cities, the length of the trip is increased, which affects ridership demand. The interlined routes have farebox recovery ratios of 21 percent for Martinez-Hercules, and 25 percent for Antioch-Martinez and Antioch-Martinez-Hercules. For each of these interlined routes, additional non-farebox revenue will be required, ranging from \$55 million during the 10-year period (NPV) for the Martinez-Hercules route to \$87 million during the 10-year period (NPV) for the Antioch-Martinez-Hercules route.
9. Ridership in the early years of service will likely be lower than what has been projected and would likely require additional funding in the early years of service, as it takes time to change people's commute behavior and patterns. When the South San Francisco service started up in 2012, ridership was 42 percent of what had been projected for the first year of operations. While ridership is increasing, the South San Francisco service is still operating well below projected ridership, and farebox revenue is covering just 8 percent of required operating costs.

² The net present value (NPV) calculates the present value in today's dollars of the 10-years of operating expense gaps, using a discount rate of 3 percent.

10. The key factors driving the financial revenue analysis are the level of service assumptions, ridership projections that have been prepared by Cambridge Systematics at the request of WETA and the ticket price assumptions, which are also factors in the ridership forecasting model. The level of service assumptions are based on weekday, peak travel transit service that meets at least the basic requirements of a transit service while not planning for more trips than ridership projections can fill or overburdening any one service.³ While the ridership projections are speculative and based on a range of uncertain future conditions, the projections have been found to be technically sound and reasonable for planning purposes. The ticket price assumption varies by service route and is consistent with the fares noted in Table 5.2 of the Ridership Forecasting Report (see **Appendix D**).
11. Each of the services evaluated will require initial capital expenditures as well as future capital replacement expenditures. Building the terminals and related facilities will be costly, with current estimates ranging from \$5.8 million to \$36.8 million in Antioch depending on the location of the terminal, from \$13.6 million to \$18.9 million in Martinez; from \$20 million to \$35 million in Hercules, and from \$8 million to \$12 million in Richmond. Additionally WETA's ferry fleet will need to be expanded with two to five vessels required for each service route.⁴ Each new ferry is estimated to cost approximately \$17 million, though will vary depending on the selected technology. Landside improvements at the San Francisco ferry terminal as well as at WETA's maintenance facilities to accommodate new services also will be required. In this Report, initial capital cost estimates are provided, but they do not factor in the feasibility evaluation, which is based on a 10-year operating model.⁵
12. There are opportunities for further study that interested cities can pursue either independently or in partnership with CCTA. Cities may want to continue to study various vessel technologies (e.g., catamaran versus hovercraft), the potential role of a ferry system in Contra Costa County as part of the County's emergency response plans, developing the land-side infrastructure and working with other ferry operators to provide transit and/or occasional weekend/evening services, and the potential economic impact effects of ferry service and associated land-side improvements.

³ There are other possible levels of service and/or service combinations that were not studied as part of this evaluation.

⁴ For planning purposes, it is assumed that each service would be required to supply a spare vessel. Additional study would be required to determine if there is potential for certain services to share a spare vessel.

⁵ Capital cost estimates represent the costs at the time they were developed and have not been inflated to 2014 dollars.