



Members of the Board

Charlene Haught Johnson, Chair
Anthony J. Intintoli, Jr., Vice Chair
Gerald Bellows
Beverly Johnson
John O'Rourke

**MEETING AGENDA FOR THE
WETA BOARD OF DIRECTORS**

Thursday, April 7, 2011 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

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please contact the Board Secretary at least five (5) working days prior to the meeting to ensure availability.

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.

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|--|--------------------|
| 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 | |

Water Emergency Transportation Authority
April 7, 2011 Meeting of the Board of Directors

6. CONSENT CALENDAR **Action**
 - a. Minutes March 10, 2011

7. APPROVE CONTRACT AWARD FOR THE PURCHASE OF RADIO EQUIPMENT TO RED CLOUD, INC. **Action**

8. APPROVE AMENDMENT NO. 3 WITH URS CORPORATION FOR ENVIRONMENTAL REVIEW AND PERMITTING RELATED TO THE BERKELEY FERRY TERMINAL PROJECT **Resolution**

9. APPROVE AMENDMENT NO. 4 WITH WINZLER & KELLY FOR DESIGN SERVICES RELATED TO THE BERKELEY FERRY TERMINAL PROJECT **Resolution**

10. AUTHORIZE THE METROPOLITAN TRANSPORTATION COMMISSION TO ALLOCATE AN ADDITIONAL \$950,000 REGIONAL MEASURE 2 FUNDS TO SUPPORT FY 2010/11 VALLEJO BAYLINK FERRY OPERATIONS AND TRANSITION EXPENSES **Resolution**

11. AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO COOPERATIVE AGREEMENT WITH MTC TO IMPLEMENT CLIPPER ON WETA FERRY SERVICES **Action**

12. APPROVE AMENDMENT NO. 14 WITH NOSSAMAN, LLP FOR THE PROVISION OF LEGAL SERVICES AND RELATED ACTIONS **Resolution**

13. UPDATE ON DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION **Information**

14. UPDATE ON CENTRAL BAY OPERATIONS AND MAINTENANCE FACILITY **Information**

15. RECESS INTO CLOSED SESSION
 - a. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION **Action**

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: one case

 - b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS **Action**

Property: City of Vallejo ferry terminal related property/assets
Agency Negotiators: Nina Rannells, San Francisco
Bay Area Water Emergency Transportation Authority
Negotiating Parties: City of Vallejo
Under Negotiation: Terms and conditions to the transfer of property/assets with the City of Vallejo for the Vallejo Baylink Service

16. REPORT OF ACTIVITY IN CLOSED SESSION **Action**

Chair will report any action taken in closed session that is subject to reporting at this time. Action may be taken on matters discussed in closed session.

17. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

Water Emergency Transportation Authority
April 7, 2011 Meeting of the Board of 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.

M E M O R A N D U M

TO: WETA Board Members
FROM: Nina Rannells, Executive Director
DATE: April 7, 2011
RE: Executive Director's Report

PROJECT UPDATES

Service Transition Implementation – The Transition Plan guides the consolidation of the Vallejo, Alameda/Oakland and Harbor Bay ferry services under WETA, and presents a five year financial outlook of WETA operating and expansion activities. The WETA Board of Directors adopted the final Transition Plan on June 18, 2009, in compliance with Senate Bills 976 and 1093 requirements.

Alameda City Council approved the Transition Agreement at their regularly scheduled Council meeting on October 5, and the WETA Board of Directors approved the agreement on October 7. The escrow period has begun and staff anticipates that all escrow requirements will be completed and that the Alameda services will transition to WETA by April 30.

On March 8, the Vallejo City Council unanimously approved the terms and conditions for the transfer of the Baylink service from the City to WETA, and provided direction to City staff and legal counsels to start preparing the Transition Agreement on these terms. City and WETA legal counsels are currently drafting the Transition Agreement. Staff hopes to be able to bring forward a final Vallejo service transition agreement for Board consideration in May 2011.

Emergency Water Transportation System Management Plan (EWTSMMP) - This plan sets a framework for WETA coordination of emergency response and recovery efforts using passenger ferries and will provide a detailed definition of WETA's roles and responsibilities for incident planning, response, recovery and restoration of normal operations. The WETA Board of Directors adopted the final Emergency Water Transportation System Management Plan on June 18, 2009, in compliance with the requirements of Senate Bills 976 and 1093. Preparation of the EWTSMMP and the Emergency Operations Plan (agency's internal plan) are complete.

Over the last several years, staff has worked with the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) on creating a Local Hazard Mitigation Plan, which is being developed as part of a larger regional plan. A hazard mitigation plan identifies the hazards a region faces, assesses vulnerability to the hazards and identifies specific actions that can be taken to reduce the risk of the hazards. The adoption of a Local Hazard Mitigation Plan is required in order to maintain eligibility for full FEMA and state reimbursement should a major disaster occur. Staff will bring this plan forward for Board consideration and adoption in May.

Vessels - Two 149-passenger vessels, *Gemini* and *Pisces*, and two 199-passenger vessels, *Scorpio* and *Taurus*, have been constructed by Nichols Brothers Boat Builders and Kvichak Marine

Industries for use in WETA services and to expand WETA's emergency response capabilities. Three of these vessels are currently chartered to the City of Alameda and one is currently chartered to the City of Vallejo for utilization in their services.

South San Francisco Ferry Service - This service will provide access to biotech and other jobs in South San Francisco for East Bay commuters and expand the geographic reach of emergency ferry transportation response capabilities on the San Francisco Bay.

Construction of the project is proceeding according to design. At this time the expected completion date of the project is December 2011. Staff continues to work with the Peninsula Congestion relief Alliance, SamTrans staff and representatives from Genentech to design the feeder bus and shuttle route system to and from the ferry terminal.

Berkeley Ferry Service – This service will provide an alternative transportation link between Berkeley and downtown San Francisco. Conceptual design and environmental studies work has been underway for several years to date. BCDC has staff approved the conceptual design for the landside facilities, including parking, and the Berkeley City Council has approved the overflow parking plan for the ferry terminal. Work is now focused on completing the environmental review and conceptual design of the project both of which are scheduled to be finalized by late 2011.

Treasure Island Service – This project, 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 between Treasure Island and downtown San Francisco.

Staff recently met with TIDA to review operating and budgeting scenarios for future Treasure Island ferry service. TIDA and WETA staff are working to prepare a draft Memorandum of Understanding (MOU) outlining each agencies roles and responsibilities for moving forward with the project. The MOU will be subject to review and approval by the WETA Board.

Downtown San Francisco Ferry Berthing Expansion - This project will expand berthing capacity at the Downtown San Francisco Ferry Terminal in order to support new 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.

Staff met with BDCD on March 21, 2011 to review current concept design plans and discuss potential bay fill and public access permitting requirements for the project. A Notice of Intent (NOI) and Notice of Preparation (NOP) were issued on April 1, 2011 notifying interested parties that WETA, as the lead agency under CEQA, and FTA, as the lead federal agency under NEPA, plan to prepare an EIR/EIS for the proposed project. The issuance of the NOI/NOP requires a 45-day period for public and agency comments concerning the scope of the EIR/EIS. Two public scoping meetings will be held in April to provide additional information about the project and to accept public and agency scoping comments.

Pier 9 Berthing Facility - This project will construct two layover berths for mooring and access to ferry vessels on Pier 9 alongside the northern pier apron and adjacent to the WETA Administrative Offices. The contractor has completed 85% design drawings and expects 100% drawings to be complete within the next two weeks. This project remains on schedule for completion on June 30, 2011.

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 and 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 disaster, the facility would function as an Emergency Operations Center, serving passengers and sustaining water transit service for emergency response and recovery.

Staff met with BCDC on March 16 to discuss permit requirements for the project as they pertain to providing public access in the vicinity of the project site. A Notice of Intent to Adopt a Mitigated Negative Declaration was issued on March 31, 2011 to the State Clearinghouse initiating a 30-day public and agency review period, pursuant to CEQA requirements. As advised by FTA, staff will submit the required NEPA documentation for the proposed project pending completion of the CEQA review process.

Hercules Environmental Review/Conceptual Design -This project is currently on hold awaiting clarification from the City as to its ability to build the multimodal transportation center that is a necessary precondition to any ferry terminal. In early March WETA staff met with City staff to discuss the City's phasing plans for building the multi-modal station. It appears that the work required prior to the terminal construction will not be completed until FY 2014/15 at which time construction of the ferry terminal could commence.

Antioch, Martinez, Richmond, and Redwood City Conceptual Design/Environmental Review – This project involves completing conceptual design and environmental review documents for potential future ferry services in Antioch, Martinez, Redwood City and Richmond. All four projects are underway with conceptual design, data collection and stakeholder outreach.

Ridership Forecast Model Update – This project will update the existing ridership forecast model developed by WETA in 2002 to generate new ridership forecast projections based on the most recent transportation and demographic data available from AGAG, MTC and local land use jurisdictions.

Cambridge Systematics is in the final stages of calibration and validation of the updated ridership forecast model. Production of new ridership projections for various project alternatives is anticipated to begin by late April/early May of this year.

Clipper Fare Media Implementation – WETA is coordinating with MTC to implement Clipper fare media on the future South San Francisco ferry service and potentially on existing ferry services that will be transitioned to WETA from the City of Alameda.

Staff has prepared and submitted a draft scope defining WETA's business rules and equipment needs for implementing Clipper to MTC for review. This month's agenda includes an item requesting Board authorization for the Executive Director to execute a cooperative agreement with MTC to implement Clipper.

UPDATE ON RELEVANT PROJECTS IMPLEMENTED BY OTHER AGENCIES

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 will consolidate local, regional and commuter bus services and a 1,200 space parking garage for ferry patrons and the general public.

Parking structure construction has been split into two phases. Construction of Phase A, which began in June 2010, is currently 25% complete and has an anticipated construction end date of January 2012. Design of Phase B of the Parking Structure is in the final design stage with the

construction start date being dependent on the relocation of the post office property and full funding for this phase.

Mare Island Ferry Maintenance Facility – This project will construct a new ferry maintenance facility located at Building 165 on Mare Island in Vallejo in three phases. Phase 1 constructs a 48,000 gallon fuel storage and delivery system. Phase 2 includes construction of a system of modular floats and piers, demolition of Building 855, and construction of a new warehouse/shop in its place. Phase 3 will renovate Building 165 into a permanent office and shop space, and security installations.

Winzler & Kelly expects to have the 100% design package for Phase 2 completed for review by April 18. City of Vallejo staff and project consultants are working to complete all project requirements and secure project permits in the next few months. The project timeline requires all construction documents, permits, leases, environmental and right-of-way requirements to be completed in early April so that critical State funding approvals can be calendared for California Transportation Commission action in June and Phases 1 and 2 of the project can be advertised for construction in July 2011.

OUTREACH, PUBLIC INFORMATION, AND MARKETING EFFORTS

On March 10, staff participated in the last of four public outreach meetings related to proposed service cuts to the Vallejo Baylink ferry and complementary Route 200 bus service. On April 12, 2011, the Vallejo City Council will hold a formal public hearing, take any final public comments, and consider action on the proposed service changes.

On March 14, staff met with San Francisco County Transportation Authority staff to discuss how WETA's program fits into the SFCTA's transportation planning efforts.

OTHER ACTIVITIES / ITEMS

Proposition 1B Funds – Proposition 1B funds provided to WETA for ferry service projects are authorized for a period of three years at a time. Although the majority of first year (FY 2007/08) funds were just recently received by WETA, Cal EMA's program guidelines established the expiration date for these funds to be March 2011. Staff has been successful in working with Cal EMA to receive an 18-month extension of these funds, but has remained concerned regarding the unrealistic expenditure deadlines associated with these funds and has worked with our State lobbyist to seek legislative clarification and relief. Assembly Bill 105, signed by the Governor on March 24, included language to clarify the process for administering Proposition 1B funds allocated to WETA prior to June 30, 2011, providing WETA with four fiscal years from the last day of the fiscal year in which funds are received, to spend these funds. This change will work to ensure that WETA has sufficient time to implement projects once funds are actually made available.

ADMINISTRATION

February Financial Statements - Attached are the monthly financial statements for FY 2010/11 through February 2011, including the Statement of Revenues and Expenses and the Capital Budget vs. Expenditures reports.

Water Emergency Transportation Authority
FY2010/11 Statement of Revenues and Expenses
February 2011

	Current Month	Prior Year Actual	2010/11 Budget	2010/11 Actual	% of Budget
% of Year Elapsed 67%					
Operating Revenues					
Operating Assistance					
RM 2 Planning	329,506	3,974,266	4,950,000	2,387,128	48.2%
SUASI	-	26,198	-	-	0%
Total Operating Assistance	329,506	4,000,464	4,950,000	2,387,128	48.2%
Other Revenues					
Interest Income	654	13,050	15,000	5,559	37.1%
Other	-	7,900	-	-	0.0%
Total Other Revenues	654	20,950	15,000	5,559	37.1%
Total Operating Revenues	330,161	4,021,413	4,965,000	2,392,687	48.2%
Total Capital Revenues	1,726,493	17,675,940	28,622,995	7,665,839	26.8%
Total Revenues	2,056,654	21,697,353	33,587,995	10,058,525	29.9%
Operating Expenses					
Operations					
Wages and Fringe Benefits	179,968	1,472,036	1,613,000	969,100	60.1%
Services	118,398	2,144,939	2,798,000	1,145,073	40.9%
Materials and Supplies	1,316	25,071	87,000	14,628	16.8%
Utilities	1,101	11,322	19,000	6,884	36.2%
Insurance	-	28,973	37,000	28,222	76.3%
Miscellaneous	3,746	38,597	103,000	30,850	30.0%
Leases and Rentals	24,977	279,526	293,000	192,372	65.7%
Total Operations	329,506	4,000,464	4,950,000	2,387,128	48.2%
Total Operating Expenses	329,506	4,000,464	4,950,000	2,387,128	48.2%
Total Capital Expenses	1,726,493	17,675,940	28,622,995	7,665,839	26.8%
Total Expenses	2,056,000	21,676,404	33,572,995	10,052,967	29.9%
Excess Revenues (Loss)	654	20,950	15,000	5,559	

**Water Emergency Transportation Authority
FY2010/11 Statement of Revenues and Expenses
February 2011**

Project Description	Current Month	Project Budget	Prior Year Actual	2010/11 Budget	2010/11 Actual	Future Year	% of Project
Expenses							
2 Spare Vessels	-	17,000,000	16,764,811	235,189	-	-	99%
SSF Vessels	391	20,500,000	19,504,841	995,159	30,204	-	95%
SSF Mitigation Study	-	275,000	42,459	52,541	-	180,000	15%
SSF Terminal Construction	1,676,402	26,000,000	1,420,414	15,985,586	6,773,169	8,594,000	32%
Berkeley Environ/Conceptual Design	2,959	1,954,700	1,566,858	303,842	79,842	84,000	84%
Berkeley Terminal Design	-	3,200,000	-	1,500,000	-	1,700,000	0%
Hercules Environ/Conceptual Design	-	1,080,000	981,684	98,316	10,093	-	92%
Pier 9 Mooring/Floats	1,239	3,150,000	329,867	2,820,133	61,609	-	12%
Environmental Studies/Conceptual Design	25,309	3,250,000	56,000	2,120,000	87,289	1,074,000	4%
Central Bay Ops/Maintenance Facility	17,344	2,600,000	128,770	962,230	177,760	1,509,000	12%
Maintenance Barge, Floats & Ramps	-	5,000,000	-	1,250,000	-	3,750,000	0%
S.F. Berthing - Environ/Conceptual Design	2,849	3,300,000	-	2,300,000	445,872	1,000,000	14%
Total Capital Expenses	1,726,493	87,309,700	40,795,705	28,622,995	7,665,839	17,891,000	
Revenues							
RM 2	41,604	33,281,735	31,410,679	1,690,975	511,051	180,081	96%
San Mateo County Sales Tax	374,866	15,000,000	410,919	10,892,865	1,534,574	3,696,216	13%
Federal	891,168	15,047,533	6,574,895	4,393,658	3,704,702	4,078,980	68%
Proposition 1B	418,855	23,980,432	2,399,211	11,645,497	1,915,513	9,935,724	18%
Total Capital Revenues	1,726,493	87,309,700	40,795,705	28,622,995	7,665,839	17,891,000	

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(March 10, 2011)

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

Chair Charlene Haught Johnson called the meeting to order at 1:05 p.m. Directors present were Vice Chair Anthony Intintoli, Director Gerald Bellows and Director John O'Rourke. Vice Chair Anthony Intintoli led the Pledge of Allegiance. Director Johnson arrived at 1:30 p.m.

2. REPORT OF BOARD CHAIR

None.

3. REPORT OF DIRECTORS

None.

4. REPORTS OF STAFF

Before delivering her report, Executive Director Nina Rannells noted that for the first time she had seen all four WETA vessels in service on the bay during her morning commute. She also reported that *Scorpio* was using only half the fuel of the other boats on the Vallejo service.

Ms. Rannells updated the Board on the status of the transition with the City of Alameda, noting that the service should transition to WETA within the next month or so. Regarding the service transition with the City of Vallejo, she said that Vallejo had agreed to the latest term sheet and anticipated that it would be presented to the City Council at the second meeting in April for approval.

Vice Chair Intintoli noted that meetings of the Vallejo City Council could be streamed online.

Ms. Rannells reported that later that day Vallejo city staff would host the last of four public input meetings regarding proposed service cuts to the Baylink service. She noted that WETA staff was helping to facilitate these meetings and that the proposed cuts would predominantly affect the complementary Route 200 bus service.

Chair Johnson asked how the meetings had been received. Ms. Rannells said that the first meeting had been challenging and that the format had been changed to better engage the riders and solicit their input. She said that one of the clear themes that had emerged was the need for an early ferry and for one additional late bus. She added that Marty Robbins of Baylink was already at work to modify the proposals in response to the input from riders.

Manager of Planning and Development John Sindzinski then reported on the status of the South San Francisco terminal, noting that construction of the float at Manson Construction in Richmond, CA was being completed and that piles were currently being driven at the Oyster Point terminal site.

Mr. Sindzinski said that while the construction project was moving along quickly, some minor issues had arisen in the final design of the gangway and that start of passenger service may be delayed

until early 2012. Chair Johnson expressed some disappointment at this news. Ms. Rannells noted that plans for the start of service were underway and would be brought forward to the Board as the project is further developed.

Mr. Sindzinski then reported that BCDC had approved the priority parking area plan for the Berkeley terminal the previous week, noting that the new plan increased the existing green belt and utilized existing spillover parking in the marina.

Public Comment

Paul Kamen of the Berkeley Waterfront Commission noted that it was the same area that his dragon boat team utilized for parking and that he felt the plan was workable.

Vice Chair Intintoli commented that the Mayor of Vallejo had suggested a change to WETA's enabling legislation that would allow for a permanent seat on the WETA Board of Directors to represent the City of Vallejo and any other city whose service had been assumed by WETA. He added that he was also concerned that all of the Board members had terms that would expire at the same time and that it would be preferable that the terms be staggered.

Chair Johnson said that these issues should be examined more closely but expressed concern regarding initiating new legislation that could affect WETA. Ms. Rannells said that she would initiate a dialogue on the matter with WETA's state legislative representative Barry Broad.

Vice Chair Intintoli then noted an item in the federal legislative report regarding the loss of earmarks for the current year and asked how this would affect WETA. Ms. Rannells replied that she was receiving weekly updates from WETA's federal legislative representative Peter Friedmann. She noted that one change they were monitoring was that the FY 2011 Ferryboat Discretionary Fund would now be distributed through the Department of Transportation staff rather than through earmarks.

Ms. Rannells added that there would likely be progress on the Transportation Authorization bill this year and that Mr. Friedmann was continuing to look for ways to best position WETA to receive an annual commitment of funds through this bill.

Public Comment

Veronica Sanchez of Masters, Mates & Pilots asked if the cancellation of \$1.5 million in earmarks for Vallejo and Berkeley have an effect on the fuel tank project in Vallejo.

Ms. Rannells replied that the project would not be affected and that the project would likely be going out to bid within the next few months.

5. CONSENT CALENDAR

Vice Chair Intintoli made a motion to approve the minutes from the January 6, 2011 Board of Directors meeting. Director Bellows seconded the motion and the item carried unanimously.

6. APPROVE PROPOSITION 1B PROGRAM OF PROJECTS AND AUTHORIZE AGENCY OFFICIALS TO EXECUTE PROGRAM REQUIREMENTS

Finance and Grants Manager Lynne Yu introduced this item requesting the Board approve a list of FY 2010-11 Proposition 1B Waterborne projects for transmittal to the California Emergency Management Agency, and to authorize the Executive Director, Attorney and Finance and Grants Manager to execute grant program documents required to obtain funding.

Ms. Rannells clarified that the issue date for the bonds was not yet known.

Vice Chair Intintoli noted that funds would be required to operate the City of Vallejo's parking garage and suggested that WETA keep in mind ways to help Vallejo fund those operations where possible, adding that he was concerned that parking fees could be a deterrent to ferry ridership.

Ms. Rannells replied that the funds at hand were not eligible for that project but that the parking issue was on her radar and that WETA would continue to be in dialogue with the City of Vallejo over the coming years regarding this issue.

Vice Chair Intintoli made a motion to approve the item. Director Bellows seconded the motion and the item carried unanimously.

7. UPDATE ON IMPLEMENTING CLIPPER CARD REGIONAL ELECTRONIC FARE INSTRUMENT

Planner/Analyst Mike Gougherty presented this informational item regarding implementation of the Clipper fare payment program on the WETA system, noting that staff was in early discussions with MTC regarding potential implementation of Clipper timed to coincide with the initiation of South San Francisco service.

Mr. Gougherty stated that WETA had secured the services of Booz Allen Hamilton through an on-call planning agreement with Jacobs Engineering to assist with developing draft business rules and fare collection equipment needs for WETA, after which they would deliver a cost estimate for implementation of the Clipper to WETA.

Ms. Rannells said that it was an aggressive schedule for implementation and challenged Mr. Gougherty to meet it. She noted that Golden Gate Ferry had been the first operator to implement the Clipper system on ferries. Staff had hoped to follow their Clipper business model, but the number of WETA routes and terminal facilities will require a different approach for the WETA ferry services.

8. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 1:50 p.m. Upon reopening of the meeting at 3:05 p.m. she reported that no action had been taken.

9. 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
Keith Stahnke, Manager, Operations

SUBJECT: Approve Contract Award for the Purchase of Radio Equipment to Red Cloud, Inc.

Recommendation

Approve contract award for the purchase of radio communications equipment to Red Cloud Inc. and authorize the Executive Director to execute an individual purchase agreement in an amount not to exceed \$48,000.

Background/Discussion

In March 2010, WETA submitted a grant application to the Department of Homeland Security's Port Security Grant Program for the purchase of new interoperable radio equipment to support general vessel communications needs and provide the ability to directly communicate with other public safety agencies including the Port of San Francisco and the SF Department of Emergency Management. On January 19, 2011 WETA was awarded \$52,000 from the FY 2010 Port Security Grant Program for this project, which will support purchase and installation of one base station, one vessel radio (to be installed on the Scorpio), four portable radios and antennas and other related equipment.

Staff worked closely with Bill McCammon, the Executive Director of the East Bay Regional Communications System Authority, in developing this project. His familiarity with WETA, as a consultant who helped develop our Emergency Water Transportation System Management Plan, and expertise with radio communications systems was useful in determining the appropriate equipment for purchase and use by WETA.

This procurement will be completed by exercising a piggy-back option on a Contra Costa County contract for interoperable public safety radio communications equipment. The Contra Costa procurement was competitively bid consistent with federal procurement requirements and was structured to establish a list of pre-qualified vendors from which other public entities can purchase equipment. Purchasing from this list of vendors is allowable under the Port Security Grant program.

In order to determine which pre-qualified bidder to utilize, staff considered system operating requirements, including compatibility requirements with legacy radio systems in the City and County of San Francisco, and compared these requirements with the proposals from five of the eligible vendors including:

1. Dailey-Wells
2. EF Johnson

3. Motorola-Red Cloud Inc.
4. Silverado Avionics Inc.
5. Harris

In considering the system requirements and proposals, staff determined that only one of the bidders, Red Cloud, Inc., is able to provide radios that are compatible with the existing legacy radio systems and meet the multi-band needs for marine use.

Based upon the information submitted and receipt of satisfactory references, the review panel recommends entering into a purchase agreement with Red Cloud Inc. in an amount not to exceed \$48,000 for the purchase of interoperable communications equipment. Staff will solicit equipment installation quotes separate from this contract award, which are not expected to exceed \$2,500.

The total project cost is estimated to be \$52,000 and is expected to be complete by May 2011. Staff will test this equipment in the WETA operating environment, and, if satisfactory, will pursue additional grant funds to outfit the balance of the WETA fleet.

Fiscal Impact

The purchase and installation of the radio equipment is included in the FY2010/11 Capital Budget and is funded entirely with FY2010 Port Security Grant Program funds.

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development**

SUBJECT: Approve Amendment No. 3 to the Contract with URS Corporation for Environmental Review and Permitting Related to the Berkeley Ferry Terminal Project

Recommendation

Approve Amendment No. 3 to the contract with URS Corporation (URS) authorizing \$175,000 in additional funds to cover completion of the Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) and environmental permitting and authorize the Executive Director to execute the contract amendment.

Background

In September 2005, the Water Transit Authority Board approved award of a contract for \$750,000 to URS for environmental review of the Berkeley/Albany ferry terminal. This work was to conduct environmental review and site alternatives analysis complementing the preliminary design services conducted for this project under a separate contract with Winzler & Kelly. The contract value and scope of work assumed the environmental assessment would be limited to two alternative sites.

In July 2006, the Board authorized the number of sites to be expanded to include three sites for complete conceptual design and environmental analysis. At the September 2006 meeting, staff recommended adding the Gilman Street site in order to avoid any question of whether the agency fully considered each and all alternative locations. Including the Buchanan and Gilman Street sites in the alternative analysis triggered the need for an Environmental Impact Report (rather than an abbreviated Environmental Assessment) with an associated increase in effort and cost. Accordingly, in October of 2006 the URS contract was increased by \$434,700 in order to study four alternative sites at a comprehensive level. WETA published the Draft EIS/EIR in October 2008 that met the State and Federal legal requirements to adequately evaluate the four alternative sites at equal levels.

Discussion

In April 2009, the WETA Board approved the draft environmental document which identified the Seawall Drive site at the foot of University Avenue in Berkeley as the preferred site for the new Berkeley/Albany ferry terminal. Since then, staff has tasked URS, along with the project design consultant Winzler & Kelly, to develop a final preliminary design concept that satisfies project stakeholder concerns. As a part of this work, URS has worked to respond to comments and concerns made by various stakeholders regarding the potential impacts of the project. This work has included extensive consultation with the Bay Conservation and Development Commission (BCDC) staff and the City of Berkeley (including staff, Council members and several of its citizen commissions) concerning parking facilities, open space and San Francisco Bay Trail improvements. This work required more than a year of effort resulting in the use of a large portion of the remaining contract budget. While time consuming and

expensive, this work was necessary in order to develop conceptual design plans that would be supported by the many project stakeholders.

This item requests approval of additional URS contract authority in the amount of \$175,000, increasing the total URS contract authority to \$1,359,700. These funds would be used to complete the Final EIS/EIR and environmental permitting for the Berkeley ferry service project. This represents a "not to exceed" limit. Actual work will be controlled and monitored via task orders for specific work at negotiated prices within this budget limit. As a part of this contract amendment, staff would also extend the contract term to December 31, 2013, in order to allow adequate time for completion of the Final EIS/EIR and environmental permitting.

Fiscal Impact

RM2 and/or Proposition 1B funding is available to cover the costs of the requested action.

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development**

SUBJECT: Approve Amendment No. 4 to the Contract with Winzler & Kelly for Design Services Related to the Berkeley Ferry Terminal Project

Recommendation

Approve Amendment No. 4 to the contract with Winzler & Kelly authorizing \$175,000 in additional funds to cover completion of conceptual design and entitlement processes and authorize the Executive Director to execute the contract amendment.

Background

In April 2006, the Water Transit Authority Board approved a consulting contract in the amount of \$275,000 with Winzler & Kelly for preliminary design services for the Berkeley/Albany ferry terminal and service. This work was to complement the environmental assessment for the Berkeley/Albany ferry service conducted for this project under a separate contract with URS. The contract value and work scope assumed the Winzler & Kelly design effort would be limited to two alternative sites that would be thoroughly analyzed in this process.

In July 2006, the Board authorized the number of sites to be expanded to include three sites for complete conceptual design and environmental analysis. At the September 2006 Board meeting, staff recommended adding the Gilman Street site in order to avoid any question of whether the agency fully considered each and all alternative locations. At this same meeting, the Board approved an amendment increasing the Winzler & Kelly contract by \$253,000 in order to cover the additional design work required in order to evaluate two more sites than what was included in the original the scope of work.

Discussion

In April 2009, the WETA Board approved the draft environmental document which identified the Seawall Drive site at the foot of University Avenue in Berkeley as the preferred site for the new Berkeley/Albany ferry terminal. At the January 2010 meeting, the Board approved an amendment to increase the value of the Winzler & Kelley contract for preliminary design services for the Berkeley/Albany ferry terminal project by \$172,000 in order to cover the anticipated time and expense involved in working with project stakeholders such as the Bay Conservation and Development Commission staff and the City of Berkeley (including staff, Council members and several of its citizen commissions) to consider project design modifications and landside improvements (parking lots, open space and Bay Trail enhancements) required in order to prepare this project to move forward for final environmental approvals.

Since then, Winzler & Kelly has worked to further develop preliminary design elements for the site and to provide design and urban planning assistance to respond to comments and

concerns made by various stakeholder regarding the potential impacts of the project. Through this work, Winzler & Kelly and their architect, Marcy Wong of Marcy Wong Donn Logan Architects, provided a number of new designs for the required parking lot and open space improvements. As noted above, this work included extensive consultation with City of Berkeley and Bay Conservation and Development Commission (BCDC) staff concerning parking facilities, open space and San Francisco Bay Trail improvements. This work required more than a year of effort resulting in the use the majority of this additional budget authority. While time consuming and expensive, this work was necessary in order to develop conceptual design plans that would be supported by the many project stakeholders.

This item requests approval of a contract amendment to provide additional funds in the amount of \$175,000, increasing the total Winzler & Kelly contract authority to \$875,000, which should be sufficient to finalize the conceptual design, prepare work products for the environmental consultant in support of the Final EIR/EIS and obtain City of Berkeley entitlements and permits. This work will allow the project to move into final design once the associated environmental reviews and clearances are secured. Additionally, as a part of this amendment, the contract term would be extended to December 31, 2013, to allow adequate time to ensure the completion of this work. Actual expenditures will be authorized and managed by staff on a Task Order basis.

Fiscal Impact

RM2 and/or Proposition 1B funding is available to cover the costs of the requested action.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director

SUBJECT: Authorize the Metropolitan Transportation Commission to Allocate an Additional \$950,000 Regional Measure 2 Funds to Support FY 2010/11 Vallejo Baylink Service Operations and Transition Expenses

Recommendation

Authorize the Metropolitan Transportation Commission to allocate an additional \$950,000 Regional Measure 2 funds to the City of Vallejo to support FY 2010/11 Baylink service operations and transition expenses.

Background

Section 30914 of the Streets and Highways Code allows up to \$15.3 million per year in Regional Measure 2 (RM2) funds to be made available to WETA to support regional ferry transit operating expenses. These funds are allocated and administered by the Metropolitan Transportation Commission (MTC), which has annually allocated a portion of these funds to Vallejo upon WETA approval. Of the \$15.3 million available, \$2.74 million has historically been made available to support Vallejo ferry expansion services.

Over the past three years, the City of Vallejo has requested that WETA approve allocation of an additional increment of RM2 funds beyond the \$2.74 million. This supplemental requested made by Vallejo, and approved by WETA, has ranged from \$1.5 million to \$2 million annually and has served to close a Vallejo Baylink system operating shortfall and allow services to continue operating with no change. The annual supplemental allocations have been made by the WETA Board with the understanding that City staff would work to review system ridership and related operating schedules and develop a plan to better align service costs with historic funding levels and ridership demand. The City and WETA staff have worked over the past six months to consider how to close the system operating shortfall, and have developed a revised service schedule that is projected to reduce operating expenses by approximately \$1.5 million annually. The revised service schedule is currently under public review and comment and is scheduled for consideration and approval by the Vallejo City Council on April 11, 2011. The proposed revised schedule would go into effect beginning in August 2011.

Discussion

In July 2010, the WETA Board authorized MTC allocation of approximately \$1.58 million supplemental RM2 funds to fund the projected FY 2010/11 Baylink Ferry System operating shortfall. The amount of this supplement was based upon a system budget developed in consultation with MTC that required the City to set its average fuel cost at \$2.51 per gallon for the year; an amount that was approximately \$.20 per gallon more than fuel prices at the time but \$.63 less per gallon than originally proposed by the City. As a part of the WETA approval, the Board directed staff to work with the City of Vallejo to consider any additional RM2 funds that might be required during the year based upon actual expenses and any program changes made during the year as the result of the planned service review and resulting schedule revisions.

On March 28, 2011, staff received a letter from the City of Vallejo, provided as **Attachment 1** to this report, requesting WETA assistance and support in authorizing MTC to allocate an additional \$950,000 of Regional Measure 2 operating funds in FY 2010/11 to address an additional anticipated operating shortfall. This request includes \$800,000 to support higher than budgeted fuel prices and

\$150,000 to fund additional legal and support expenses related to transitioning the Baylink services to WETA.

Fuel Price Increase (\$800,000)

The approved FY 2010/11 budget included approximately \$3,618,000 for fuel, with a budgeted price of \$2.51 per gallon. While fuel prices were down around \$2.30 per gallon at the beginning of the fiscal year, they have steadily increased in recent months. Between January and February 2011, the price of fuel increased approximately 9.5%, from \$2.89 to \$3.16 per gallon. In the event that fuel continues to increase at this rate through June, the City is projecting fuel to cost \$4.63 per gallon by the end of the fiscal year, resulting in a net increase in fuel expenses of \$780,000 over the approved fuel budget.

The increase in fuel prices experienced over recent months would normally be addressed through the implementation of a fuel surcharge rate increase, which was adopted by the City in 2008 to handle such unexpected spikes in fuel costs. However, City and WETA staffs are concerned about the potential negative impact of a fuel surcharge on ridership at this time, especially in light of the proposed service reductions under review and discussion. As an alternative, the City is requesting that WETA provide an additional \$800,000 in FY 2010/2011 RM2 operating funds in order to close the funding gap projected through the end of this fiscal year as a result of the recent fuel price increases. While this increased subsidy would serve to avoid initiation of a fuel surcharge in FY 2010/11, the high fuel prices will need to be monitored and a fuel surcharge, or other off-setting change, may need to be considered in the future in the event that fuel prices remain high over an extended period of time.

Transition Expenses (\$150,000)

The City is requesting an additional \$150,000 in FY 2010/2011 RM2 funds for transition expenses. In July 2010, WETA supported an MTC allocation of \$197,710 of RM2 funds for the City of Vallejo's expenses associated with the transition of the Baylink service to WETA. As of February 2, 2011, the City has spent \$143,000 for transition expenses. On March 8, the Vallejo City Council approved the terms and conditions upon which the Baylink service would be transferred to WETA, and directed their staff and legal counsel to begin drafting a final transition agreement for approval in the next few months. As we move to develop the final transition agreement and all of the related contracts and legal transfer documents, the City anticipates needing an additional allocation of RM2 funds in the amount of \$150,000, bringing the total FY 2010/11 funds allocated for this task up to approximately \$350,000, to ensure that sufficient financial resources are available to support this work effort.

Staff recommends that the Board authorize MTC to allocate an additional \$950,000 of WETA's FY2010/2011 Regional Measure 2 funds to support Vallejo Baylink ferry service operations.

Fiscal Impact

There is no direct fiscal impact to WETA operations associated with this item as the proposed funds are not currently required by WETA to support other services in FY 2010/11. This action would bring the total FY 2010/11 RM2 subsidy for the Vallejo Baylink system up from \$4,324,492 to \$5,274,492.

END

Attachment 1



CITY OF VALLEJO

DEPARTMENT OF PUBLIC WORKS
Transportation Division

555 SANTA CLARA STREET • P.O. BOX 3068 • VALLEJO • CALIFORNIA • 94590-5934 • (707) 648-4315
FAX (707) 648-4691

March 28, 2011

Nina Rannells, Executive Director
Water Emergency Transportation Authority
Pier 9, Suite 111, The Embarcadero
San Francisco, CA 94111

SUBJECT: Request for RM2 Operating Funds for FY 10/11

Dear Ms. Rannells:

Over the past several months the City of Vallejo and WETA staffs have made significant progress in the transfer of the Baylink Ferry Service as well as working collaboratively and cooperatively in right-sizing the service level to the current demand and fiscal limitations. As you are aware, on March 8, 2011 the Vallejo City Council unanimously approved the Term Sheet to be used to finalize a Transfer Agreement between the City and WETA. We have had four public workshops regarding the proposed service modifications and the formal Public Hearing is scheduled for April 12, 2011. I believe that these workshops have been extremely beneficial in developing a modified schedule that will satisfy most of the concerns brought up by the ferry riders. I would like to take this opportunity to express our appreciation for your staff's assistance during this public process.

The purpose of this letter is to update you on the status of the Baylink Operation budget in light of the recent increases in fuel prices and transition costs and to request WETA approval of additional RM2 operating funds to support the FY 2010/11 Baylink operation and service transition.

RM2 Operating Fund Request (\$800K)

On June 21, 2010 the City of Vallejo sent a letter requesting that WETA take formal action authorizing MTC to allocate \$5.4M in RM2 operating funding for continued operation of the Baylink Ferry service for FY 2010/11. This request included \$2.74M of Baylink ferry's historical annual RM2 allocation, \$200,000 for transition related costs plus an additional \$2.48M to balance the operating

Attachment 1

Nina Rannells, Executive Director
Water Emergency Transportation Authority
March 28, 2011
Page Two

budget. Subsequent to this request Vallejo staff met with WETA and MTC staff to review the ferry budget for this fiscal year.

As a result of these discussions, on July 15, 2010 the WETA Board approved a RM2 allocation to the Baylink service of \$4.5M (i.e. \$2.7M historical + \$200,000 for transition +\$1.6M supplemental RM2), which effectively reduced our fuel budget by \$900,000. The consensus was that Vallejo had budgeted fuel too conservatively at \$3.14 price per gallon (ppg) for a total fuel budget of \$4.4M at a time when fuel was averaging \$2.30 ppg. This \$900,000 reduction required the average fuel cost to remain under \$2.50 ppg over the entire FY 10/11 (i.e. annual fuel budget of \$3.6M). As can be seen in the attached ferry fuel projection, fuel prices over the first half of this fiscal year increased but the average remained under this budgeted \$2.50 ppg. However, recently we have seen a rapid increase in diesel fuel prices that emulates our 2008 experience. At that time the fuel prices increased from \$2.80 ppg in January to a high of \$4.38 in July and back down to \$1.56 in December. If fuel continues to increase similar to 2008 we project the average price per gallon for FY 10/11 will be approximately \$3.13 ppg as shown on the attached projections. This will result in an increase of \$780,000 over the approved fuel budget of \$3.6M.

Given the fluctuation of fuel prices over the last few years it is impossible to predict whether this current spike is temporary, as it was in 2008, or whether these high prices will become the norm. Accordingly there is no way to know what effect these current fuel prices will have on future fiscal year budgets.

The increase in fuel prices experienced over the past few months would normally be addressed through implementation of a fuel surcharge rate increase adopted by the City in 2008. However, this would not be a good time to implement a fuel surcharge rate increase due to the low ridership caused by the recession and planned service reductions. I strongly believe that a rate increase at this time would seriously and perhaps permanently exacerbate the decline in ridership on the Baylink Ferry Service. As an alternative, the City is requesting that WETA provide an additional \$800,000 in RM2 supplement operating funds in order to close the funding gap projected in FY 2010/11 as the result of the fuel price increases. I hope you agree that given where we are on our transfer negotiations and the pending service reductions it would not be advisable to consider implementing this fuel surcharge at this time.

Attachment 1

Nina Rannells, Executive Director
Water Emergency Transportation Authority
March 28, 2011
Page Three

When the WETA Board adopted Resolution No. 2010-23 on July 15, 2010 approving this year's RM2 allocation it stated that "staff will work with the City of Vallejo and MTC to consider any additional RM2 Funds that may be required in FY 2010/11 based upon changes or programs that may be instituted as a result of the service analysis/business plan and a review of budgeted vs. actual expenses through the first quarter of FY 2010/11 and will bring any resulting allocation recommendations back for consideration and action by the Board of Directors."

In an effort to mitigate Baylink's structural deficit in January the City reduced the number of ferry trips for the winter weekends from 5 trips per day to 3 trips per day and will continue this level of service through April. This not only saves fuel but also eliminates the need for two crews on these winter weekends, when ridership is at its annual low point. With the implementation of these winter weekend service reductions the City thought it would not require any additional RM2 allocation for this fiscal year and therefore did not follow up with WETA during this first half of this fiscal year.

Unfortunately this recent spike in fuel costs requires the City to request additional RM2 funds for FY 2010/11. Accordingly the City of Vallejo is requesting that the WETA Board approve \$800,000 of additional RM2 operating funds to cover these anticipated fuel costs. In evaluating this request please keep in mind that, as we have done in the past and required by RM2 funding guidelines, we will only spend what we need to balance our operating budget for this fiscal year.

RM2 Transition Cost Fund Request (\$150K)

As you are aware the City has had to engage additional consultants in order to expedite and facilitate the Term Sheet negotiations with WETA. As a result we are projecting to exceed the \$197,710 of RM2 funds allocated by the WETA Board in July of 2010 for reimbursements of expenses associated with the Transition of Service to WETA. As shown on the attached WETA Transition Costs spreadsheet as of February 2, 2011 the City has been invoiced about \$143,000 for transition expenses. Assuming we substantially complete our negotiations on the Transfer Agreement by April or May of 2011 it is anticipated that we will need an additional \$150,000 for our transition expenses (see spreadsheet for more detail).

Attachment 1

Nina Rannells, Executive Director
Water Emergency Transportation Authority
March 28, 2011
Page Four

Thank you in advance for your cooperation on these funding requests. If you have any questions, please contact either Interim Transportation Superintendent Ms. Jeanine Wooley, at (707) 553-7224 or myself at (707) 648-4316. The City looks forward to working closely with WETA to preserve and enhance this important ferry service between Vallejo and San Francisco as we proceed with the transition.

Sincerely,



GARY A. LEACH
Public Works Director

Enclosures

cc: Mayor and City Council
Phil Batchelor, City Manager
Charlene Haught Johnson, WETA Board Chair
Anthony J. Intintoli, Jr., WETA Board Vice Chair
Jim Spering, MTC Commissioner
Alix Bockleman, MTC
Daryl Halls, STA
Craig Whittom, Assistant City Manager
David Millican, Finance Director

Attachment 1

City of Vallejo
Transportation Fund #420
FY 10-11 Mid-Year Projections
 Ferry Fuel Projections

<u>Months</u>	<u>Consumptions</u>	<u>Cost</u>	<u>Average Price/Gal</u>	<u>Monthly % of Change</u>	
Jul	129,942	311,111	2.39		Actual
Aug	125,866	311,017	2.47	3%	Actual
Sep	123,145	303,409	2.46	0%	Actual
Oct	131,244	343,470	2.62	6%	Actual
Nov	107,154	285,457	2.66	2%	Actual
Dec	119,939	332,766	2.77	4%	Actual
Jan	103,170	298,072	2.89	4%	Actual
Feb	92,691	293,271	3.16	10%	Actual
Mar	116,386	405,000	3.48	10%	Projection
Apr	113,929	436,000	3.83	10%	Projection
May	126,038	531,000	4.21	10%	Projection
Jun	124,259	575,000	4.63	10%	Projection
Annual Total	1,413,763	4,425,575	3.13		

Attachment 1

**WETA Transition Costs
FY 10-11
As of February 2, 2011**

Account No.: 420-3004-431	06-04	34-01	15-24	3001-431.01-06	
	Legal Fees	Fast Ferry Mgmt	Admin Support	Crystal Odum-Ford	Total
			Gray-Bowen		
FY 10-11 Budget, Beginning Balance	<u>112,750.00</u>	<u>33,600.00</u>	<u>40,200.00</u>	<u>11,160.00</u>	<u>197,710.00</u>
FY 10-11 Activities					
Burke, Williams & Sorensen, LLP	30,617.99				30,617.99
Fast Ferry Management		19,968.77			19,968.77
Crystal Odum-Ford				11,160.00	11,160.00
Gray-Bowen			81,496.79		81,496.79
Total, Expenses	<u>30,617.99</u>	<u>19,968.77</u>	<u>81,496.79</u>	<u>11,160.00</u>	<u>143,243.55</u>
Outstanding Encumbrances					
Gray-Bowen & Company, Inc.			18,503.21		18,503.21
Fast Ferry Management		24,693.23			24,693.23
Burke, Williams & Sorensen, LLP	124,782.01				124,782.01
Total, Encumbrances	<u>124,782.01</u>	<u>24,693.23</u>	<u>18,503.21</u>	<u>-</u>	<u>167,978.45</u>
FY 10-11 Budget, Ending Balance	<u>(42,650.00)</u>	<u>(11,062.00)</u>	<u>(59,800.00)</u>	<u>-</u>	<u>(113,512.00)</u>
Projected Totals -	155,400.00	44,662.00	100,000.00	11,160.00	311,222.00

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development

SUBJECT: Authorize the Executive Director to Negotiate and Enter into Cooperative Agreement with MTC to Implement Clipper on WETA Ferry Services

Recommendation

Authorize the Executive Director to negotiate and enter into a cooperative agreement with MTC to implement Clipper on WETA's ferry services.

Background

The Clipper system is being developed as an all-in-one reloadable transit fare payment card that can be used on most Bay Area transit systems. On July 2, 2009, MTC entered into a contract with Cubic Transportation Systems, Inc. to design, build, operate and maintain the Clipper fare payment system on behalf of the Bay Area's transit system operators. Through this contract, Clipper is currently operational on seven large transit systems in the region, including AC Transit, BART, Caltrain, Golden Gate Transit and Ferry, MUNI, SamTrans and VTA. As of December 2010, approximately 320,000 daily transit boardings were made using Clipper.

In May 2007, the Water Transit Authority Board of Directors directed staff to work towards implementing Clipper (previously TransLink) on the agency's future ferry services. Since then, staff has held periodic conversations with MTC regarding the agency's interest and ability to implement Clipper on the new South San Francisco service and the potential to implement the system on the Alameda and Vallejo services once they are transitioned to WETA.

Discussion

At the March 2011 meeting, staff provided the Board of Directors with an overview of the Clipper system and discussed the work and business decisions necessary in order to move forward with program implementation for the WETA services. At this juncture, staff recommends moving forward to implement Clipper as a fare payment system for the new South San Francisco ferry service and for the Alameda services under transition to WETA. Staff expects that the implementation of Clipper will provide several benefits through the creation of a fare mechanism that supports seamless intermodal transfers to and from services, improvements to fare payment and cash handling processes and enhancements to customer convenience.

MTC supports this project and is willing to issue a contract change order (CCO) with Cubic to develop the software and procure the fare collection equipment needed to

implement Clipper for WETA. WETA and MTC have agreed to develop and negotiate the terms of the CCO, in order to support the efficient design, provision, installation and support of WETA's Clipper implementation through a cooperative agreement between the two agencies. The agreement would define each agency's responsibilities, including WETA's management of the implementation and budget for the project and MTC's contract administration and oversight of the CCO. The agreement requires approval by the WETA Board and MTC's Operations Committee.

The budget amount included in the cooperative agreement will be defined based upon the prices negotiated with Cubic for the following proposed scope of work (subject to review and approval by MTC):

- 1) Software Development of WETA Clipper Business Rules
 - Dual-tag, distance-based fare structure
 - Adult, Senior, Youth, RTC fare categories
 - E-cash, Universal Monthly Pass, and Universal Institutional Pass fare products
 - Intra- and Inter-Operator transfer discounts
- 2) Procurement and Installation of Fare Collection Equipment for SSF and Alameda services
 - CID2 devices (post-mounted terminal card readers)
 - HCR4 devices (handheld card readers)
- 3) System Testing, Documentation, and Training

Staff from WETA and MTC will be assisted by WETA's consultants, Jacobs Engineering and Booz Allen Hamilton, in reviewing proposals received from Cubic and negotiating the required CCO for the work. In order to expedite the project to coincide with the expected start of service at the South San Francisco ferry terminal, staff recommends that the Board authorize the Executive Director to negotiate and enter into the cooperative agreement with MTC to move this project forward.

Once Clipper is implemented on the SSF and Alameda services, staff will work to determine how and when Clipper might be implemented on the Vallejo Baylink service. The timing of this second phase of work will depend upon several factors including the date of service transition, MTC's Clipper roll-out schedule, the ability to secure project funds and other system integration issues (e.g. coordinated Route 200 bus implementation).

Fiscal Impact

This project is included in the FY 2010/11 Capital Budget and will be funded with Prop 1B and Measure A funds.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director

SUBJECT: Approve Amendment No. 14 to the Contract with Nossaman, LLP for the Provision of Legal Services and Authorize Related Actions

Recommendation

This item recommends Board approval of the following actions related to legal services anticipated to be needed in FY 2010/11:

- a) Approve Amendment No. 14 to the agreement with Nossaman, LLP for the provision of legal services providing an additional \$450,000 in FY 2010/11 contract authority and authorize the Executive Director to execute the amendment; and
- b) Authorize a FY 2010/11 Operating Budget increase in the amount of \$450,000 to support this contract amendment and authorize the Executive Director to file an application with MTC for additional FY 2010/11 RM2 operating funds in this amount for this purpose.

Background

The Authority's enabling statute requires the employment of general counsel to manage its legal affairs. In August 2004, the San Francisco Bay Area Water Transit Authority authorized Nossaman, LLP to serve as its general counsel and established a process for bringing forward annual budget amendments to cover services anticipated each fiscal year. In January 2008, this contract transferred to the San Francisco Bay Area Water Emergency Transportation Authority upon its creation. Annual legal expenses have ranged from \$140,000 in FY 2004/05 to \$760,000 in FY 2009/10, based upon the volume and complexity of work and related legal issues facing the agency.

In addition to general agency and Board oversight, Nossaman LLP provides legal advice and support in a wide range of specialty areas including contract development, procurement process and document development, employment law and policy development, insurance requirements and real property transactions, and also provides research on special subjects as required.

Discussion

On May 6, 2010, the Board authorized contract Amendment No. 13 with Nossaman, LLP for \$650,000 to cover budgeted legal service expenses in FY 2010/11. This amount was anticipated to be needed to cover general oversight and capital program support work (\$400,000) and to provide assistance in completing the Alameda and Vallejo service transitions (\$250,000). Based upon legal expenses through February 2011, staff estimates that an additional \$450,000 will be required to support these work activities through the end of the fiscal year. Staff anticipates that a total legal budget of \$1,100,000 will be needed to support FY 2010/11 activities in approximately the following amounts and as described below:

General/Capital	\$ 200,000
Transition Activities	900,000
Total	\$1,100,000

General Oversight/Capital

This includes legal review and oversight of such items as general agency and Board governance, meeting attendance, legislative review, personnel matters and research of special subjects of interest or concern. This also includes support for capital program implementation including procurement and contract review. Staff estimates that expenses in this area will be approximately \$200,000 for the fiscal year, including approximately \$150,000 for general oversight and \$50,000 for capital program support.

Transition Activities

Agency work efforts in FY 2010/11 have been significantly focused on service transition activities associated with transfer of the Alameda/Oakland, Alameda Harbor Bay and Vallejo Baylink ferry services. The legal effort required as a part of this core agency work effort has included such items as identification of transition details, negotiation of transition terms and development of formal transition agreements and all required documents to support service transition and asset transfers from the City of Alameda, Port of Oakland and City of Vallejo. This work has also included review and support of agency processes and work efforts required for WETA to take on operations such as establishment of fares, public input processes and the development of an RFP and associated contract for system operation. These activities have been labor-intensive for WETA staff and have required significantly more legal attention and review than anticipated when the budget was originally established last May. Staff anticipates incurring up to \$900,000 in legal expenses to support this work effort in FY 2010/11. It is important to note that much of the work and expense associated with the transition activities this year supports one-time work efforts to finalize the service transition agreements or establish WETA operating procedures that will largely be completed this fiscal year.

Fiscal Impact

The award of this additional contract authority would commit the Authority to an amount up to \$1,100,000 for legal services for FY 2010/11, to be funded with approximately \$50,000 capital and \$1,050,000 operating funds.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development

SUBJECT: Update on Downtown San Francisco Ferry Terminal Expansion

Recommendation

This is an informational item, no Board action is required.

Background/Discussion

WETA is currently developing a project to expand berthing capacity at the Downtown San Francisco Ferry Terminal in order to support new 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. WETA is working in close partnership the Port of San Francisco towards developing a concept design for the proposed project that is both complementary to and compatible with other future land use improvements contemplated in the Ferry Building area, such as the rehabilitation and reuse of the Agriculture Building and improvements to the Ferry Plaza.

Staff has arranged several meetings with project stakeholders to solicit feedback concerning project objectives and initial design considerations. Stakeholders consulted include Ferry Building area lessees and tenants, local and regional transit providers, local advocacy and neighborhood groups, ferry operators and crew, and BCDC. The project design team, led by ROMA Design Group, has considered this initial feedback and prepared a Preliminary Concept Design Plan to construct three additional ferry gates, expand passenger waiting and queuing areas, and install needed passenger amenities such as weather protection canopies and ticketing equipment. A Final Concept Design Plan will be prepared and presented to the Board, Port Commission, and BCDC Design Review Board in the coming months. (Staff report at the meeting will include a detailed presentation of the current concept design).

Based on the current improvements proposed as part of the project, the environmental review team, led by URS Corporation, has determined that an EIR/EIS will need to be prepared for the project to evaluate potentially significant environmental impacts pursuant to CEQA and NEPA requirements. On March 30, 2011, staff transmitted a Notice of Preparation (NOP) to the State Clearinghouse and interested parties providing notification of plans to prepare an EIR for the proposed project. FTA as the lead federal agency for the project under NEPA will publish a Notice of Intent (NOI) in the Federal Register this month providing notification to interested parties of plans to prepare an EIS for the project. The issuance of the NOI/NOP requires a 45-day period for public and agencies to submit comments concerning the scope of the EIR/EIS. WETA and the FTA have scheduled two public scoping meetings in April to provide additional information about the proposed project and accept public and agency comments.

Scoping comments received by the end of the 45-day review period will be considered in the course of preparing a Draft EIR/EIS. Staff expects to have a completed Draft EIR/EIS available for public and agency review by Spring 2012. Completion of the CEQA and NEPA review processes for the proposed project is expected by Fall 2012.

END

MEMORANDUM

TO: Board Members

FROM: John Sindzinski, Manager, Planning & Development
Nina Rannells, Executive Director

SUBJECT: Update on Central Bay Operations and Maintenance Facility

Recommendation

This is an informational item only, no Board action is required.

Background/Discussion

WETA is currently developing a project to construct a Central Bay Operations and Maintenance Facility 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 and 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 disaster, the facility would function as an Emergency Operations Center, serving passengers and sustaining water transit service for emergency response and recovery.

The proposed project is located southeast of the intersection of West Hornet Avenue and Ferry Point Road near Pier 3 in the City of Alameda, within the Naval Air Station Base Realignment and Closure area known as Alameda Point. The landside project site includes approximately 15,500 square feet (0.36 acre) to accommodate a 4-story building and a 48,000 gallon fuel storage facility. The site also includes approximately one acre of waterside space in the San Francisco Bay where a fixed pier and floats would be constructed to provide berthing slips for up to 11 vessels. (Staff report at the meeting will include a detailed presentation of the current concept design).

In compliance with CEQA requirements, an Initial Study/Mitigated Negative Declaration has been prepared for the project by ICF International. The Initial Study/Mitigated Negative Declaration considered potentially significant impacts associated with the project including aesthetics, air quality, biological resources, greenhouse gas emissions, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water quality, noise, transportation/traffic, and mandatory findings of significance and concluded that the proposed project, with mitigation, would not generate any significant impact on the environment.

On March 30, 2011, staff submitted a Notice of Intent to Adopt a Mitigated Negative Declaration to the State Clearinghouse and interested parties, initiating a 30-day public and agency review period pursuant to CEQA requirements. At the end of the 30-day public review period, WETA will consider the proposed Mitigated Negative Declaration together with any comments received during the public review process in making a

determination to adopt the Mitigated Negative Declaration. Should the Board adopt the Mitigated Negative Declaration for this project, a Notice of Determination would be filed with the State Clearinghouse, initiating a 30-day statute of limitations on court challenges to approval under CEQA.

The proposed project will also need to comply with NEPA requirements, as federal funds will be used for the proposed project. In consultation with FTA, the lead federal agency for this project, it was determined that a Categorical Exclusion will be prepared pursuant to NEPA requirements pending approval of the Mitigated Negative Declaration under CEQA.

Once CEQA and NEPA requirements for the proposed project have been satisfied, staff will proceed with final design and permitting for the project, including required approvals from the City of Alameda, BCDC, and other state and federal resource agencies. Construction of the Facility is projected to begin in Fall 2012 and be complete by Spring 2014.

END