

**Members of the Board**

Jody Breckenridge, Chair  
Jeffrey DelBono  
Timothy Donovan  
Anthony J. Intintoli, Jr.  
James Wunderman, Vice Chair

**BOARD OF DIRECTORS MEETING**

*Thursday, April 6, 2017 at 1:15 p.m.*

**San Francisco Bay Area  
Water Emergency Transportation Authority  
Port of San Francisco  
Pier 1; San Francisco**

**NOTE: NEW TIME**

*The full agenda packet is available for download at [sanfranciscobayferry.com/weta](http://sanfranciscobayferry.com/weta)*

**AGENDA**

1. CALL TO ORDER – BOARD CHAIR
2. PLEDGE OF ALLEGIANCE/ROLL CALL
3. REPORT OF BOARD CHAIR *Information*
4. REPORTS OF DIRECTORS *Information*
5. REPORTS OF STAFF *Information*
  - a. Executive Director’s Report
  - b. Monthly Review of Financial Statements
  - c. Legislative Update
6. CONSENT CALENDAR *Action*
  - a. Board Meeting Minutes – March 2, 2017
  - b. Approve Amendment to Agreement with Nematode Media, LLC, for Ferry Ticket Sales and Information Services in Fiscal Year 2017/18
  - c. Designation of Authorized Agents to Apply for Federal or State Disaster Assistance Funds
7. DISCUSSION OF STATE LEGISLATIVE ACTIVITIES *Information/Action*
8. AUTHORIZE ISSUING RFP FOR FEDERAL LOBBYING SERVICES *Action*
9. AUTHORIZE ISSUING RFP FOR GENERAL COUNSEL LEGAL SERVICES *Action*
10. RECESS INTO CLOSED SESSION *Action*
  - a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS *To Be Determined*

Property: Downtown Ferry Terminal Gates E - F - G, Port of San Francisco  
Agency negotiators: Nina Rannells and Michael Gougherty, San Francisco Bay Area Water Emergency Transportation Authority  
Negotiating Parties: Port of San Francisco  
Under Negotiation: Terms and Conditions of the Long-Term Lease/License Agreements for Downtown Ferry Terminal Expansion Project Property
11. REPORT OF ACTIVITY IN CLOSED SESSION *Action*

Chair will report any action taken in closed session that is subject to reporting at *To Be Determined*

**Water Emergency Transportation Authority**  
**April 6, 2017 Meeting of the Board of Directors**

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this time. Action may be taken on matters discussed in closed session.

**12. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS**

**ADJOURNMENT**

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.

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](mailto: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 California Government Code Section 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 6, 2017

RE: Executive Director's Report

**CAPITAL PROJECT IMPLEMENTATION UPDATE**

**Vessel Replacement – Central Bay**

The MV *Encinal* and *Harbor Bay Express II* are included in the 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 a contract with Aurora Marine Design (AMD) for vessel construction management services and with Kvichak Marine Industries, now Vigor Kvichak (Vigor), in April 2015 for the construction of two new replacement vessels. Vessel construction began in early September 2015.

Vessel 1 MV *Hydrus* –Commissioning and sea trials were conducted mid-January 2017. The vessel met WETA speed, noise and vibration requirements. The MV *Hydrus* arrived in San Francisco on February 14 . Crew training is underway, final punch list items and local United States Coast Guard (USCG) inspections will be completed prior to placing vessel in service in April.

Vessel 2 MV *Cetus* - Fabrication of the hull and cabin structures are well underway. Launch of hulls occurred on February 16. The vessel is now at the Whidbey Island shipyard with the cabin being prepared for the hulls. Delivery of this vessel is anticipated in June 2017.

**Vessel Replacement/New Construction - North Bay Vallejo and Richmond**

This project will construct three new high-speed vessels including one to replace the MV *Vallejo* and two to support initiation of new Richmond ferry service. In December 2015, the Board of Directors approved a contract with Fast Ferry Management for vessel construction management services. On September 1, 2016 the Board of Directors approved a contract award to Dakota Creek Industries for vessel construction. A project kick-off meeting was held on October 7. Project design, engineering work and materials ordering is progressing on schedule. Regulatory approvals of the structural drawings are underway. Aluminum cutting will start in late April and the keels will be laid in May 2017. The first vessel is scheduled for delivery in December 2018.

**New Vessel Construction – Central Bay Vessels 3 and 4**

This project will construct two new 400-passenger vessels. On October 6, 2016 the Board of Directors approved a contract award to Vigor for vessel construction. Progress to date has included purchase of main propulsion engines and material for hull construction. Hull construction has begun for both vessels.

**MV *Pisces* Quarter-Life and Passenger Capacity Increase Project**

This project provides for a general refurbishment of the vessel and will include the following components: refurbish shafts, propellers, rudders, replace bearings, replace and reupholster seating, replace carpets, renew deck coatings, touch up interior finishes, overhaul main

engines, HVAC, electrical, plumbing, emission, fire and lifesaving safety systems. In addition, the scope of work for this project includes increasing the passenger capacity from 149 to 225. On October 6, 2016 the Board of Directors approved a contract award to Marine Group Boat Works. A project kick-off meeting was held on November 11. Work is progressing on this project which is scheduled for completion in May 2017.

Upon disassembly of the main engines it was determined that both crankshafts were undersized and in need of repair or replacement. After analysis, it was determined that the purchase of new crankshafts was the best approach. Crankshafts were delivered to Valley Power Systems in early March and engine assembly has started and is expected to be completed in early April.

### **MV *Mare Island* Propulsion Train Subcomponent Replacement Project**

This project provides for replacement of the major propulsion train subcomponents of the MV *Mare Island*. On November 10, 2016 the Board of Directors approved a contract award to Marine Group Boat Works. A Notice to Proceed has been issued and a project kick-off meeting was held on November 21, 2016. On the trip to San Diego the vessel hit a wave that broke a window and caused water damage to main deck carpeting and some equipment. Marine Group has accepted responsibility and is making all required repairs. Owners sea trials are scheduled for March 30. The project will be completed after successful sea trials with an expected delivery date to San Francisco in early April.

### **North Bay Operations and Maintenance Facility**

This project constructed a new ferry operations and maintenance facility located on Mare Island in Vallejo. Construction of the facility is nearly complete. The team is working on a project close out punchlist with the construction contractors. A ribbon-cutting ceremony for the project was held on October 26, 2016. Operations and maintenance staff completed their transition into the new facility during the first week of January 2017 and are shifting focus to cleaning up and closing out the old maintenance site.

### **Central Bay Operations and Maintenance Facility**

This project will construct a new ferry operations and maintenance facility at Alameda Point to serve as the base for WETA's existing and future central bay ferry fleet. The Board of Directors awarded a construction contract to Overaa/Power, a Joint Venture, in July 2016. The contractor recently completed the construction of the new seawall and was issued a Notice to Proceed with landside construction. This project is scheduled for completion in Spring 2018.

### **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. The project also includes landside improvements needed to accommodate expected increases in ridership and to support emergency response capabilities.

On January 12, the WETA Board of Directors awarded a Construction Manager at Risk contract to Power Engineering Construction for Phase I work on this project. A Notice to Proceed has been issued for the Early Construction Work which includes marine demolition, dredging, and pile driving. On-site construction activities are scheduled to begin May 1, 2017 and be complete in late 2019. Staff is also working with its Construction Manager at Risk to undertake pre-construction services for Phase II of the project, including negotiation of a Guaranteed Maximum Price. An item requesting Board approval of long-term Lease and License Agreements for the project with the Port of San Francisco is included on this month's Board meeting agenda.

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## **SERVICE DEVELOPMENT UPDATE**

### **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 WETA Board adopted a Funding Agreement and Memorandum of Understanding (MOU) with the Contra Costa Transportation Authority at its March 2015 meeting that funds the operation for a minimum period of 10 years. A contract was awarded to Ghirardelli Associates in September 2016 to provide construction management services.

All resource agency permits have been approved. In February 2017, the WETA Board authorized the Executive Director to enter into required lease and shared maintenance agreements with the City of Richmond, Orton Development and Ford Point LLC, approved a project labor agreement with the Contra Costa Building Trades Council, and authorized staff to release a Request For Proposal (RFP) for terminal construction. The Construction RFP was released on February 17<sup>th</sup> and staff anticipates bringing an item recommending construction contract award to the Board in May 2017.

### **Treasure Island Service**

This project, which will be implemented by the Treasure Island Development Authority (TIDA), the San Francisco County Transportation Authority (acting in its capacity as the Treasure Island Mobility Management Authority), 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 anticipated start of operations would be 2022 given the current project schedule.

WETA staff is working with City of San Francisco staff to support development of this project. In that capacity, they are participating in regular meetings of the City's Technical Advisory Committee, convened to update and further develop the Treasure Island Mobility Management Program that will include a new ferry service to be provided in conjunction with the development project. Staff has developed a draft MOU for discussion with the City that would set forth the terms and conditions under which WETA would operate the future Treasure Island ferry service. The finalization and execution of the MOU for the Treasure Island service would be subject to consideration by the WETA Board.

### **Alameda Seaplane Lagoon Ferry Terminal**

In April 2016, the Alameda City Council and WETA Board of Directors adopted a MOU defining a future service concept for western Alameda and identifying the terms and conditions under which a new Seaplane Lagoon Ferry Service would be implemented. The MOU defines roles and responsibilities for each party pertaining to the proposed construction of a new ferry terminal along Seaplane Lagoon on the former Naval Air Station at Alameda Point, future operation of the service, and the pursuit of funds necessary to support the new service. Staff will continue to work with the City to fulfill WETA's commitments under the MOU with the common goal of achieving the start of service by 2020.

### **Mission Bay Ferry Landing**

The Port of San Francisco released an engineering feasibility and site selection study for a future Mission Bay ferry landing in March 2016. WETA staff participated in the study and provided input regarding ferry operations and potential service models. In December 2016, the Port of San Francisco awarded a contract to COWI/OLMM to complete preliminary design, permitting and entitlement activities and has begun the process in partnership with WETA. To support the effort, the City and Port of San Francisco have placed \$7 million in its capital budget. A project MOU between the Port and WETA was adopted by the WETA Board in

January 2017. Staff has been working together with Port staff and their consultants on initial design and environmental testing activities. Preliminary designs for the ferry landing should be available by summer 2017.

### **Redwood City Ferry Terminal**

A Draft Redwood City Ferry Terminal site feasibility report was completed in 2012 in an effort to identify site opportunities, constraints and design requirements, and better understand project feasibility and costs associated with the development of a terminal and service to Redwood City. During the summer of 2016, staff from the Port, WETA and the City of Redwood City had met to redefine the project, shifting the development toward a public facility available to multiple ferry operators in advance of formal WETA service given the lack of project funds for such service at this time. This alternative development model will allow the Port and City to move forward with construction of a terminal, allowing time for WETA and the City to advocate for operational and vessel funding for eventual WETA service. Staff has been working with City and Port officials on a project MOU. City and Port staff are reaching out to also include the San Mateo Transportation Authority which will provide funding for the design and development stages of the project as a partner in the MOU.

## **SYSTEM PLANS/STUDIES**

### **Alameda Terminals Access Initiatives**

The City of Alameda will be considering a residential permit program for the Harbor Bay Ferry Terminal area in March 2017. City of Alameda staff has coordinated with the Harbor Bay Master Homeowner's Association to develop a strategy for addressing overflow parking in the vicinity of the Harbor Bay Terminal. The strategy proposes to institute a residential parking permit program, thereby eliminating overflow parking on the surrounding arterial and residential streets. City of Alameda staff anticipate implementing a neighborhood parking permit program by summer 2017. In addition, the Homeowner's Association requests that WETA consider a parking fee at the lot and that potential revenue from parking fees help fund a free shuttle program for Harbor Bay residents. WETA staff has engaged a parking specialist consultant and will be evaluating potential parking fee programs, not just for Harbor Bay but for the entire WETA system. A program of systemwide parking fee program policy goals was approved by the WETA Board in November and it will be used to guide the development of a specific paid parking program for the Harbor Bay Terminal site.

At Main Street, WETA staff has worked with City staff since spring 2015 to open the Officer's Club parking lot as an overflow lot for the many riders parking on dirt lots or on the shoulders of Main Street. WETA funded a new crosswalk and minor improvements to the lot which opened to ferry riders on May 24, 2016. Aside from parking, installation of 20 bicycle lockers at the Main Street terminal -- funded through a grant from the Bay Area Air Quality Management District -- occurred on February 22, 2016. Staff will shift its focus to additional improvements that can be made related to alternative terminal access modes such as buses, shuttles, bicycles, and pedestrian improvements after the parking improvements are underway. Staff has recently met with private companies such as Lyft, Chariot and Scoop in an effort to explore alternative options for improving transportation options for ferry riders in Alameda and elsewhere.

### **Berkeley Environmental Studies**

The proposed Berkeley service will provide an alternative transportation link between Berkeley and downtown San Francisco. Staff has coordinated with Federal Transit Administration (FTA) staff to discuss the process for completion of the Final EIS/EIR. FTA has indicated that it will not be able to complete the NEPA process and issue a Record of Decision because a long-term operational funding source is not available for the service at this time. Staff will work with the new Mayor and City Council of Berkeley in the coming months to review the project work to date and discuss opportunities to move this project forward in the near future.

## **OTHER BUSINESS**

### **Regional Measure 3**

Conversations are underway with the California State Legislature and the Metropolitan Transportation Commission (MTC) to bring a new bridge toll funding measure (Regional Measure 3) to Bay Area ballots in 2018. In anticipation of the new measure, regional and county-level agencies such as MTC and Congestion Management Agencies (CMAs) have begun discussions over priorities for programs and projects.

Staff is utilizing WETA's Strategic Plan, adopted in October 2016, as the basis for WETA's request for Regional Measure 3 funds. The Strategic Plan calls for a \$1.15 billion investment in the ferry network of the future. At this time, WETA has secured informal commitments for almost \$300 million in capital funding, making the unmet capital need roughly \$850 million. Sixty percent of the capital need is for vessels with the remaining balance for terminals.

At full buildout, the new WETA system will offer 15-minute or 30-minute peak service frequencies and 44 vessels serving 16 terminals throughout San Francisco Bay. The operating budget would grow from roughly \$33 million today to approximately \$144 million. Assuming WETA's strong fare box recovery and continued operational funding from Regional Measure 2, a new operating subsidy of \$49 million would be required to deliver a system that would carry five times the number of riders WETA carries today.

### **Renewable Diesel Initiative**

The Port of San Francisco has approached Bay Area ferry operators to request that they switch to utilizing renewable diesel for the operation of our ferry vessels by the end of 2017. This request is on behalf of Mayor Lee, and is a follow-on to his initiative to convert San Francisco's public fleet to renewable diesel. Staff is in the process of gathering the information necessary to consider whether this request is technically and financially feasible and will bring more information forward to the Board when we complete our analysis and consultation with our engine manufacturer.

### **CPUC Organizational Changes**

Staff is monitoring CPUC reorganization efforts as they relate to transferring transportation related responsibilities to the California State Transportation Agency (CalSTA). Staff will work with Directors Breckenridge and Wunderman to engage in consultative discussions with state officials as plans are developed by the State to help ensure that planning for a ferry regulatory oversight transition is done in a manner that supports WETA's legislative authority and ability to provide safe and effective public transit service.

### **Emergency Response Activities Update**

WETA's enabling legislation, SB 976 as amended by SB 1093, directs the agency to provide comprehensive water transportation and emergency coordination services for the Bay Area region. Staff is currently working on the following emergency response related activities:

Communications: As a part of the development of the Emergency Response Plan approved by the Board in March 2016, staff identified a list of action items to bolster the WETA emergency response program, including several items to refine its communication systems:

- Staff has been working with Navigating Preparedness to identify the most appropriate network for WETA's P25 radios. Currently WETA subscribes to San Francisco's City-wide Emergency Radio System for the agency's P25 radio system, which provides decent coverage but lacks the ability to reach all of WETA's facilities and locations where key WETA and Blue & Gold Fleet employees live. Navigating Preparedness completed an analysis and determined that the East Bay Regional Communication System (EBRCS) provides better coverage for WETA's requirements. Radio testing

occurred on March 25 and 26 and confirmed that EBRCS provides sufficient coverage for WETA's emergency communication needs. In the coming weeks, staff will work to switch WETA's radios to the EBRCS system.

- Navigating Preparedness is also working on several other items related to WETA's communication equipment including creating a communications user manual, programming WETA's P25 radios with frequencies for relevant emergency management agencies, and determining the best communication equipment for Blue & Gold's emergency communication and staff recall process.

### **Coast Guard Manning Requirements**

In response to a 2015 USCG initiative, staff worked closely with the USCG Inspections unit (San Francisco Sector) in 2015 to review and verify the current manning levels required on WETA's fleet of vessels. As a result of this work, the WETA vessels' current manning levels remain in place; this is noted in the vessel files and on each vessel Certificate of Inspection.

### **Hazard Mitigation Plan**

WETA is preparing a new Hazard Mitigation Plan (HMP) in accordance with the Federal Disaster Mitigation Act of 2000, which requires local governments to develop and submit HMPs as a condition of receiving Hazard Mitigation Grant Program and other mitigation project grant funding. This includes pre-disaster mitigation funding and post-disaster mitigation funding for existing WETA facilities. The essential steps of hazard mitigation are to identify and profile hazards that affect the local area surrounding existing facilities, analyze the people and facilities at risk from those hazards, and develop mitigation actions to lessen or reduce the impact of the profiled hazards. WETA staff is working with a consultant to prepare the HMP. The process includes coordination with stakeholder agencies with jurisdictions that might interface with WETA during a disaster response. The process also includes opportunity for public comment. The HMP was sent to the Governor's Office of Emergency Services (Cal OES) and the Federal Emergency Management Agency (FEMA) for review and approval in October 2016. Comments on the Draft HMP were received from Cal OES in December. Cal OES completed its review of the HMP in January. The HMP was forwarded to FEMA for their review. After the FEMA approval is received, the HMP will be presented to the WETA Board for adoption.

### **KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH**

On March 9, Lauren Gularte attended the monthly Regional Business Outreach Committee meeting.

On March 9, Kevin Donnelly attended the monthly Harbor Safety Committee Meeting.

On March 10, Kevin Connolly served on a panel for Leadership Oakland, a program for professionals in Oakland to learn more about civic issues within the City.

On March 14, Keith Stahnke, Lauren Gularte and Jason Covell from Blue & Gold Fleet met with staff from Westar Marine Services and Veronica Sanchez to discuss capabilities and services that Westar could provide to WETA in an emergency.

On March 15, Lauren Gularte participated in the Business Outreach Committee's "Meet the Primes" event held at Alameda County Transportation Commission in Oakland and attended by 111 firms.

On March 20, Nina Rannells attended the Clipper Executive Committee meeting in San Carlos.

On March 21, WETA celebrated the christening of its newest vessel MV *Hydrus*.



On March 22, Nina Rannells and Kevin Connolly attended the Bay Area Council's Water Transit Subcommittee meeting in San Francisco.

On March 31, Kevin Connolly will attend the Bay Area Council Transportation Committee meeting.

On April 5, Lauren Gularte will attend Epicenter 2017 a conference hosted by San Francisco Department of Emergency Management which focuses on interdependencies during a catastrophic earthquake response and recovery in the Bay Area.

### **OPERATIONS REPORT**

On March 6, a new leg of the Vallejo-to-San Francisco ferry service was opened linking the service to Mare Island on limited trips. Ridership is expected to grow as people become familiar with the service. Parking on Mare Island has not been impacted.

On March 15, a Clipper transfer discount was implemented with AC Transit consistent with WETA's Fare Policy.

**Monthly Operating Statistics** - The Monthly Operating Statistics Report for February 2017 is provided as Attachment A.

\*\*\*END\*\*\*

## Attachment A

### Monthly Operating Statistics Report February 2017

			Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide	
<b>Boardings</b>	<i>vs. last month</i>	Total Passengers February 2017	64,457	23,944	10,365	60,933	159,699	
		Total Passengers January 2017	67,972	25,170	9,796	63,669	166,607	
		Percent change	-5.17%	-4.87%	5.81%	-4.30%	-4.15%	
	<i>vs. same month last year</i>	Total Passengers February 2017	64,457	23,944	10,365	60,933	159,699	
		Total Passengers February 2016	87,951	25,786	10,846	73,740	198,323	
		Percent change	-26.71%	-7.14%	-4.43%	-17.37%	-19.48%	
	<i>vs. prior FY to date</i>	Total Passengers Current FY To Date	763,039	204,820	85,627	640,128	1,693,614	
		Total Passengers Last FY To Date	757,867	199,879	80,365	625,953	1,664,064	
		Percent change	0.68%	2.47%	6.55%	2.26%	1.78%	
			Avg Weekday Ridership February 2017	2,624	1,260	546	2,761	7,191
	<b>Ops Stats</b>		Passengers Per Hour	131	198	71	103	118
			Revenue Hours	493	121	145	591	1,350
		Revenue Miles	6,005	2,679	2,298	15,677	26,659	
<b>Fuel</b>		Fuel Used (gallons)	37,841	10,859	12,607	120,672	181,979	
		Avg Cost per gallon	\$2.05	\$2.05	\$2.05	\$2.01	\$2.02	

\* Includes backup bus boardings. February bus ridership totaled 981 for Vallejo.

MEMORANDUM

**TO: Board Members**

**FROM: Nina Rannells, Executive Director  
Lynne Yu, Manager, Finance & Grants**

**SUBJECT: Monthly Review of FY 2016/17 Financial Statements for Eight Months  
Ending February 28, 2017**

**Recommendation**

There is no recommendation associated with this informational item.

**Summary**

This report provides the attached FY 2016/17 Financial Statements for eight months ending February 28, 2017.

**Operating Budget vs. Actual**

	Prior Actual	Current Budget	Current Actual
<b>Revenues - Year To Date:</b>			
Fare Revenue	11,005,198	12,108,990	11,838,194
Local Bridge Toll Revenue	7,502,285	13,027,463	9,196,467
Other Revenue	141,627	263,372	1,050
<b>Total Operating Revenues</b>	<b>18,649,110</b>	<b>25,399,825</b>	<b>21,035,711</b>
<b>Expenses - Year To Date:</b>			
Planning & Administration	1,688,330	1,997,260	1,326,201
Ferry Services	16,960,781	23,402,564	19,709,510
<b>Total Operatings Expenses</b>	<b>18,649,110</b>	<b>25,399,825</b>	<b>21,035,711</b>
<b>System-Wide Farebox Recovery %</b>	<b>65%</b>	<b>52%</b>	<b>60%</b>

**Capital Actual and % of Total Budget**

	YTD Actual	% of FY 2016/17 Budget
<b>Revenues:</b>		
Federal Funds	14,344,282	40.36%
State Funds	22,379,046	43.93%
Bridge Toll Revenues	7,133,590	25.49%
Other Local Funds	1,304,123	50.37%
<b>Total Capital Revenues</b>	<b>45,161,041</b>	<b>38.58%</b>
<b>Expenses:</b>		
<b>Total Capital Expenses</b>	<b>45,161,041</b>	<b>38.58%</b>

**Fiscal Impact**

There is no fiscal impact associated with this informational item.

\*\*\*END\*\*\*

**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2016/17 Statement of Revenues and Expenses**  
**For Eight Months Ending 2/28/2017**

% of Year Elapsed 67%

	Current Month	Year - To - Date			Total	% of
		FY2015/16 Actual	FY 2016/17 Budget	FY 2016/17 Actual	FY 2016/17 Budget	Total Budget
<b>OPERATING EXPENSES</b>						
<b><u>PLANNING &amp; GENERAL ADMIN:</u></b>						
Wages and Fringe Benefits	\$79,914	\$865,895	\$945,370	\$661,519	1,420,000	46.6%
Services	84,726	792,464	1,134,111	696,298	1,703,500	40.9%
Materials and Supplies	2,722	7,763	43,940	17,712	66,000	26.8%
Utilities	1,745	12,892	17,975	12,810	27,000	47.4%
Insurance	-	-	18,641	1,178	28,000	4.2%
Miscellaneous	50,963	59,827	152,458	185,635	229,000	81.1%
Leases and Rentals	31,732	195,830	215,038	224,437	323,000	69.5%
Admin Overhead Expense Transfer	(61,759)	(246,340)	(530,273)	(473,389)	(796,500)	59.4%
<b>Sub-Total Planning &amp; Gen Admin</b>	<b>\$190,042</b>	<b>\$1,688,330</b>	<b>\$1,997,260</b>	<b>\$1,326,201</b>	<b>3,000,000</b>	<b>44.2%</b>
<b><u>FERRY OPERATIONS:</u></b>						
<b><u>Harbor Bay FerryService</u></b>						
Purchased Transportation	\$124,073	\$1,024,011	\$1,236,238	\$990,464	1,856,900	53.3%
Fuel - Diesel & Urea	22,260	179,696	300,987	184,644	452,100	40.8%
Other Direct Operating Expenses	34,630	256,242	375,085	253,760	563,400	45.0%
Admin Overhead Expense Transfer	7,804	43,687	68,573	60,255	103,000	58.5%
<b>Sub-Total Harbor Bay</b>	<b>\$188,767</b>	<b>\$1,503,637</b>	<b>\$1,980,883</b>	<b>\$1,489,124</b>	<b>2,975,400</b>	<b>50.0%</b>
<b>Farebox Recovery</b>	<b>57%</b>	<b>61%</b>	<b>50%</b>	<b>65%</b>	<b>50%</b>	
<b><u>Alameda/Oakland Ferry Service</u></b>						
Purchased Transportation	\$464,941	\$3,685,544	\$4,762,001	\$4,766,257	7,152,800	66.6%
Fuel - Diesel & Urea	77,570	597,486	1,340,761	711,757	2,013,900	35.3%
Other Direct Operating Expenses	120,037	501,411	1,017,072	738,277	1,527,700	48.3%
Admin Overhead Expense Transfer	25,892	111,648	225,025	197,396	338,000	58.4%
<b>Sub-Total Alameda/Oakland</b>	<b>\$688,440</b>	<b>\$4,896,089</b>	<b>\$7,344,858</b>	<b>\$6,413,687</b>	<b>11,032,400</b>	<b>58.1%</b>
<b>Farebox Recovery</b>	<b>41%</b>	<b>68%</b>	<b>52%</b>	<b>60%</b>	<b>52%</b>	
<b><u>Vallejo FerryService</u></b>						
Purchased Transportation	\$832,266	\$6,146,784	\$6,903,796	\$6,700,011	10,369,900	64.6%
Fuel - Diesel & Urea	241,949	1,853,310	3,404,064	2,366,229	5,113,100	46.3%
Other Direct Operating Expenses	97,993	644,023	1,034,714	812,054	1,554,200	52.2%
Admin Overhead Expense Transfer	23,738	39,820	199,393	181,856	299,500	60.7%
<b>Sub-Total Vallejo</b>	<b>\$1,195,947</b>	<b>\$8,683,936</b>	<b>\$11,541,967</b>	<b>\$10,060,150</b>	<b>17,336,700</b>	<b>58.0%</b>
<b>Farebox Recovery</b>	<b>55%</b>	<b>72%</b>	<b>59%</b>	<b>64%</b>	<b>59%</b>	
<b><u>South San Francisco FerryService</u></b>						
Purchased Transportation	\$144,798	\$1,368,268	\$1,755,592	\$1,236,450	2,637,000	46.9%
Fuel - Diesel & Urea	25,843	228,636	383,674	241,461	576,300	41.9%
Other Direct Operating Expenses	20,962	229,029	358,308	234,756	538,200	43.6%
Admin Overhead Expense Transfer	4,325	51,186	37,282	33,882	56,000	60.5%
<b>Sub-Total South San Francisco</b>	<b>\$195,927</b>	<b>\$1,877,119</b>	<b>\$2,534,856</b>	<b>\$1,746,549</b>	<b>3,807,500</b>	<b>45.9%</b>
<b>Farebox Recovery</b>	<b>36%</b>	<b>29%</b>	<b>23%</b>	<b>36%</b>	<b>23%</b>	
<b>Total Operating Expenses</b>	<b>\$2,459,123</b>	<b>\$18,649,110</b>	<b>\$25,399,825</b>	<b>\$21,035,711</b>	<b>38,152,000</b>	<b>55.1%</b>
<b>OPERATING REVENUES</b>						
Fare Revenue	\$1,119,767	\$11,005,198	\$12,108,990	\$11,838,194	18,188,400	65.1%
Local - Bridge Toll	1,339,356	7,502,285	13,027,463	9,196,467	19,568,000	47.0%
Local - Alameda Tax & Assessment	-	-	263,372	-	395,600	0%
Local - Other Revenue	-	141,627	-	1,050	-	0%
<b>Total Operating Revenues</b>	<b>\$2,459,123</b>	<b>\$18,649,110</b>	<b>\$25,399,825</b>	<b>\$21,035,711</b>	<b>38,152,000</b>	<b>55.1%</b>

**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2016/17 Statement of Revenues and Expenses**  
**For Eight Months Ending 2/28/2017**

Project Description	Current Month	Project Budget	Prior Years Actual	FY2016/17 Budget	FY2016/17 Actual	Future Year	% of Total Project Budget
<b>CAPITAL EXPENSES</b>							
<b>FACILITIES:</b>							
<b>Maintenance and Operations Facilities</b>							
North Bay Operations & Maintenance Facility	\$248,371	\$31,082,000	\$28,592,897	\$2,489,103	\$1,312,430	\$0	96%
Central Bay Operations & Maintenance Facility	1,066,303	69,500,000	4,425,134	32,962,866	16,613,947	32,112,000	30%
<b>Terminal Improvement</b>							
Electronic Bicycle Lockers	-	79,500	46,661	32,839	-	-	59%
Terminal Access Improvement	-	250,000	67,528	182,472	2,318	-	28%
Replace Terminal Fendering - East Bay Terminals	-	92,000	-	92,000	-	-	0%
<b>FERRY VESSELS:</b>							
<b>Major Component Rehabilitation / Replacement</b>							
Selective Catalyst Reduction (SCR) System Overhaul	-	1,400,000	61,008	1,338,992	23,882	-	6%
Major Component Rehabilitation - Solano	-	430,000	-	430,000	8,503	-	2%
Vessel Engine Overhaul - Bay Breeze	-	650,000	-	650,000	-	-	0%
Vessel Engine Overhaul - Scorpio	229,048	625,000	-	625,000	316,679	-	51%
Major Component & Waterjets Rehab - Mare Island	5,761	3,600,000	-	3,600,000	1,615,121	-	45%
<b>Vessel Mid-Life Repower/Refurbishment</b>							
Vessel Qtr-Life Refurb & Capacity Increase - Gemini	-	3,507,000	2,053,446	1,453,554	1,276,742	-	95%
Vessel Qtr-Life Refurb & Capacity Increase - Pisces	493,344	4,100,000	-	4,100,000	2,039,429	-	50%
Vessel Qtr-Life Refurbishment - Taurus	2,997	2,400,000	-	2,400,000	5,747	-	0%
<b>Vessel Expansion/Replacement</b>							
Purchase Replacement Vessel - Express II & Encinal	84,892	33,951,000	19,724,430	14,226,570	4,745,052	-	72%
Purchase Replacement Vessel - Vallejo	3,776	23,372,000	56,940	8,447,060	3,358,475	14,868,000	15%
<b>CAPITAL EQUIPMENT / OTHER:</b>							
Purchase Heavy Duty Forklift	-	105,000	-	105,000	81,616	-	78%
Purchase Utility Vehicles	-	50,000	-	50,000	42,201	-	84%
CCTV and LCD Network Integration	514	400,000	-	300,000	1,700	100,000	0%
<b>SERVICE EXPANSION:</b>							
<b>Terminal/Berthing Expansion Construction</b>							
Downtown Ferry Terminal Expansion - South Basin	358,956	79,580,000	5,569,989	8,279,011	3,247,135	65,731,000	11%
Richmond Ferry Terminal	66,268	18,000,000	1,383,228	4,403,772	817,349	12,213,000	12%
<b>Expansion Ferry Vessels</b>							
Richmond Ferry Vessels - 2 each	7,552	46,745,000	105,789	16,897,211	6,707,056	29,742,000	15%
Two New 400-Passenger Vessels	2,922,167	33,400,000	-	14,000,000	2,945,659	19,400,000	9%
<b>Total Capital Expenses</b>	<b>\$5,489,949</b>	<b>\$353,318,500</b>	<b>\$62,087,050</b>	<b>117,065,450</b>	<b>\$45,161,041</b>	<b>\$174,166,000</b>	
<b>CAPITAL REVENUES</b>							
Federal Funds	\$618,877	\$67,154,384	\$13,093,526	\$35,539,068	\$14,344,282	\$18,521,790	41%
State Funds	4,224,036	221,811,825	37,429,974	50,946,164	22,379,046	133,435,687	27%
Local - Bridge Toll	537,242	58,233,891	8,584,455	27,990,913	7,133,590	21,658,523	27%
Local - Alameda Sales Tax Measure B / BB	10,612	4,950,000	2,949,095	2,000,905	1,139,069	-	83%
Local - Alameda TIF / LLAD	99,183	18,400	-	18,400	165,054	-	897%
Local - San Francisco Sales Tax Prop K	-	1,100,000	-	550,000	-	550,000	0%
Local - Transportation Funds for Clean Air	-	50,000	30,000	20,000	-	-	60%
<b>Total Capital Revenues</b>	<b>\$5,489,949</b>	<b>\$353,318,500</b>	<b>\$62,087,050</b>	<b>\$117,065,450</b>	<b>\$45,161,041</b>	<b>\$174,166,000</b>	

**AGENDA ITEM 5c**  
**MEETING: April 6, 2017**

**MEMORANDUM**

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**TO: WETA Board Members**

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

**SUBJECT: WETA Federal Legislative Board Report – March 21, 2017**

This report covers the following topics:

1. President Trump's Budget Request to Congress
2. Additional Funding for Ferry Programs
3. Timing of the Next FTA Ferry Grant Program Funding Opportunity

**What Does the President's Budget Request Mean for WETA?**

President Trump sent his budget request to Congress on March 16. The President's budget proposes to increase the defense budget by \$54 billion and offset that increase with cuts to all other, non-defense agencies, including the Department of Transportation, which would see a cut of \$2.4 billion if the President had his way.

Even with the proposed cuts to DOT, funding levels for the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) ferry grant program would remain unchanged given that these programs like most other programs at DOT, including most transit programs, are authorized through the FAST Act and are not considered discretionary spending. In other words, the FHWA program would continue to be funded at a level of \$80 million, and the FTA program would continue to be funded at a level of \$30 million. In fact, the 54-page document only mentions transit one time, specifically calling out Federal Transit Administration's Capital Investment Program (New Starts) program, calling on FTA to limit funding for this program to projects with existing full funding grant agreements only. Under the President's proposal, future investments in new transit projects would be funded by the localities that use and benefit from these localized projects.

Even for programs that are considered discretionary spending, it is important to keep in mind that the President's request is a way for him to convey his priorities to Capitol Hill, but it is just that: a request. Congress has a long history of ignoring much of the President's budget request (every President's budget request), and this year will be no different. To underscore this point, see this quote from Idaho Congressman Mike Simpson, a member of the House Appropriations Committee, when he was asked about the President's budget, which is prepared by the White House Office of Management and Budget (OMB): "I'm not paying much attention to OMB. What you've gotta

remember is what OMB puts out is just the administration's recommendation. It's up to Congress to do the appropriation. ... It's not the gospel. It's not handed down to us on a golden tablets and OMB needs to understand that.”

### **Continuing to Advocate for Additional Ferry Funding**

While President Trump and members of Congress continue to talk about a large infrastructure package, the reality is that if Congress does take up a bill that funds infrastructure, it is likely months away. Nonetheless, we are continuing to stay in front of the Congressional delegation, ensuring that WETA’s priorities are front and center. We are also continuing to work with other public ferry systems and organized labor to coordinate on lobbying so that their priorities match WETA’s priorities, which include increased funding for the Federal Highway Administration (FHWA) formula grant program and the Federal Transit Administration (FTA) discretionary grant program.

As noted in our previous report to the Board, several members of Congress from the Bay Area are members of Congressional committees that will be writing any infrastructure bill taken up by Congress and are therefore, in a position to advocate for our interests.

### **Timing of the Next Round of FTA Funding**

Very little progress has been made since our last board report with regards to the President nominating people for key positions at the DOT. While Elaine Chao has been confirmed to be the Secretary of Transportation, she does not yet have a team of political appointees that work under her nor does she have a permanent head of the Federal Transit Administration (FTA). As a result, it could take months for FTA to issue the next Notice of Funding Availability (NOFA) for the ferry grant program. Because of the expected late timing of the NOFA release, it is highly likely that FTA will combine FY17 and FY18 funding. This means that rather than competing for \$30 million in funding, WETA will be competing for \$60 million in funding. Given the larger sum of money available, we will work with WETA to develop an appropriately sized funding request.

When the NOFA is finally released, we will work with the Congressional delegation to convey support to FTA for whatever project WETA seeks funding.

Respectfully Submitted,  
Peter Friedmann and Ray Bucheger

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

*(March 2, 2017)*

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the Port of San Francisco, Pier 1 in San Francisco, CA.

**1. CALL TO ORDER – BOARD CHAIR**

Chair Jody Breckenridge called the meeting to order at 1:17 p.m.

**2. ROLL CALL**

Chair Breckenridge, Director Jeffrey DelBono, Director Timothy Donovan, Director Anthony Intintoli, and Vice Chair James Wunderman were in attendance.

**3. REPORT OF BOARD CHAIR**

Chair Breckenridge reported that she and Executive Director Nina Rannells had met with various individuals and entities in Sacramento to discuss WETA generally and with regard to its Strategic Plan, emergency response and public transit provisions. She said that no decision on the anticipated reorganization of the California Public Utilities Commission (CPUC) had yet been made and that she and Ms. Rannells had worked to educate officials on WETA and its roles as related to maritime operations generally and within the current scope of the CPUC's domain. Chair Breckenridge said she was pleased with the advocates and support WETA has in Sacramento.

With Board consensus, Chair Breckenridge said that the Agenda Item 9 Closed Session would be moved to the end of the meeting so that those in attendance who wanted to share general public comments on topics unrelated to specific Agenda Items could do so without having to wait until after the closed session.

Chair Breckenridge thanked Directors for their work generally and for their extra efforts recently in external engagement.

**4. REPORTS OF DIRECTORS**

Vice Chair Wunderman said he had met with his neighbor, Martinez City Manager Brad Kilger, to discuss bringing ferry service to Martinez. He said he had told him WETA was interested in service expansion possibilities and that Martinez was included in that vision. He added that he had urged Mr. Kilger to contact Chair Breckenridge to further discuss possible service expansion.

Director Intintoli thanked Chair Breckenridge for her recent work and efforts.

**5. REPORTS OF STAFF**

Ms. Rannells shared her written report with Directors and welcomed questions. She said the Metropolitan Transportation Commission (MTC) had been holding preliminary discussions on Regional Measure 3 (RM3) needs for various Bay Area projects and that they were currently slowing those discussions to focus on SB-1 and AB-1, two broad transportation bills for highways and roads. Ms. Rannells said RM3 discussions were expected to resume with continued meetings in concert with state legislators at a date to be determined.



**6. CONSENT CALENDAR**

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

- a. Board Meeting Minutes – February 16, 2017
- b. Authorize Submission of an Allocation Request to the California Department of Transportation for FY 2016/17 Low Carbon Transit Operations Program Grant Funds

Director Donovan seconded the motion and the item carried unanimously.

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

**7. APPROVE AMENDMENT TO AGREEMENT WITH NOSSAMAN LLP FOR THE PROVISION OF LEGAL SERVICES IN FY 2016/17**

Ms. Rannells presented this item to amend the Agreement with Nossaman LLP for provision of legal services in FY 2016/17. She explained that there had been several large projects undertaken in the current fiscal year which required more counsel than initially expected and that additional work had also been required to research new and unfamiliar issues such as WETA's roles and responsibilities as related to the CPUC, the Construction Manager at Risk approach taken with the construction of the Downtown San Francisco Ferry Terminal Expansion Project and the sole source vessel procurement added to WETA's program earlier this year.

As a part of the discussion, the Board noted that the contract for legal services has been in place for over ten years, and directed staff to review and bring forward this, and other similar service contracts over ten years for competitive bid. It was agreed that a legal services contract was needed to most effectively support the agency and that purchasing legal counsel by the hour without a contract was not recommended. Seeking a blended rate for attorneys as opposed to various hourly rates was also suggested for consideration.

Director Intintoli made a motion to approve the item.

Vice Chair Wunderman seconded the motion to further discussion.

The item carried.

Yeas: Breckenridge, DelBono, Donovan, Intintoli. Nays: None. Abstain: Wunderman.

Vice Chair Wunderman abstained from the final vote because Nossaman is a member of the Bay Area Council.

**8. INFORMATIONAL REPORT ON UPCOMING CHANGES TO WETA'S ACCOUNTING AND FINANCE FUNCTIONS**

Finance & Grants Manager Lynne Yu presented this informational item on upcoming changes to WETA's accounting and finance functions. She explained that the Association of Bay Area Governments (ABAG), the organization to which WETA has been outsourcing its basic accounting functions and financial audits management since the agency's inception, and MTC began discussions regarding merging the two organizations to achieve efficiencies in regional planning in 2015. She said the current plans call for the assignment of all ABAG finance and accounting functions to MTC on or around July 1, 2017, at which time ABAG will no longer be able to provide accounting services to WETA. Ms. Yu reviewed the steps that WETA staff is taking to bring the accounting function in-house in light of this change, such as acquiring and configuring an accounting software system, securing the services of an independent auditor and making plans to hire a new employee to manage this function. The Board voiced support for this change and for staff's planned work activities.

**9. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS**

There were no public comments.

**10. RECESS INTO CLOSED SESSION**

Chair Breckenridge recessed the meeting at 1:57 p.m. and the Board met with legal counsel regarding anticipated litigation in closed session until 2:12 p.m.

**11. REPORT OF ACTIVITY IN CLOSED SESSION**

Upon returning from the closed session, the Board explained that no action had been taken during the closed session.

All business having been concluded, the meeting was adjourned at 2:14 p.m.

Respectfully Submitted,  
Board Secretary

MEMORANDUM

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director  
Ernest Sanchez, Manager, Public Information & Marketing**

**SUBJECT: Approve Amendment to Agreement with Nematode Media, LLC, for Ferry Ticket Sales and Information Services in Fiscal Year 2017/18**

**Recommendation**

Approve Amendment No. 10 to Agreement #04-205 with Nematode Media, LLC, in the amount of \$83,000 for services July 1, 2017 through June 30, 2018.

**Background/Discussion**

Bay Crossings is a privately owned business with a primary mission to provide public transit-related services which include operating a Clipper Customer Service Center, selling San Francisco Bay Ferry tickets (Harbor Bay, Alameda/Oakland/San Francisco and Vallejo) and MUNI Day Passes, and disseminating public transit and visitor information. Clipper Customer Service Center functions are funded under a contract with the Metropolitan Transportation Commission (MTC). Other services provided by the Bay Crossings store, such as sale of transit tickets and passes, are supported through separate agreements with individual transit agencies.

WETA first entered into a formal agreement with Bay Crossings in September 2004 for ferry service information dissemination through the Bay Crossings newspaper and the Bay Crossings storefront in the downtown San Francisco Ferry Building Terminal. This relationship was expanded to include ferry ticket sales functions in recent years when WETA took over the City of Alameda and City of Vallejo services.

Beginning in FY 2015/16, WETA increased its support of Bay Crossings to include enhanced store point-of-sale advertising for WETA materials. At the time, the Board of Directors re-confirmed its interest and support for providing an in-person WETA customer service and tickets sales option at the downtown San Francisco Ferry Building Terminal and acknowledged that the Bay Crossings store offered a unique opportunity to deliver this service in a straightforward and cost-effective manner for WETA.

Staff recommends continuing to utilize Bay Crossings to provide ticket sales and service information in Fiscal Year 2017/18, and proposes that the Board of Directors approve amending Agreement #04-205 with Bay Crossings in the amount of \$83,000 to extend our service agreement from July 1, 2017 through June 30, 2018. This amount is the same as was provided in FY 2016/17 for these services.

**Fiscal Impact**

Funds will be included in the FY 2017/18 operating budget to support this contract amendment.

\*\*\*END\*\*\*

**SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY**

**RESOLUTION NO. 2017-08**

**APPROVE AMENDMENT TO AGREEMENT WITH NEMATODE MEDIA, LLC, FOR SERVICES**

**WHEREAS**, in September 2004 WETA entered into Agreement #04-205 with Nematode Media, LLC, for advertising in Bay Crossings magazine, and for ferry ticket sales and distribution of ferry information at the Ferry Building Bay Crossings store; and

**WHEREAS**, in July 2005, WETA approved Amendment No. 1 to the Agreement to extend the term for one year and modify the Scope of Work; and

**WHEREAS**, in July 2006, WETA approved Amendment No. 2 to the Agreement to extend the term of the Agreement for three years through June 30, 2009, and

**WHEREAS**, in July 2009, WETA approved Amendment No. 3 to the Agreement to extend the term of the Agreement for three years through June 30, 2012; and

**WHEREAS**, in July 2012, WETA approved Amendment No. 4 to the Agreement to extend the term of the Agreement for one year through June 30, 2013; and

**WHEREAS**, in July 2013, WETA approved Amendment No. 5 to the Agreement to extend the term of the Agreement for one year through June 30, 2014; and

**WHEREAS**, in July 2014, WETA approved Amendment No. 6 to the Agreement to extend the term of the Agreement for one year through June 30, 2015; and

**WHEREAS**, in July 2015, WETA approved Amendment No. 7 to the Agreement to extend the term of the Agreement for one year through June 30, 2016; and

**WHEREAS**, in December 2015, WETA approved Amendment No. 8 to the Agreement to adjust contractor compensation and modify contractor scope of work, and

**WHEREAS**, in June 2016, WETA approved Amendment No. 9 to the Agreement to extend the term one year through June 30, 2017; and

**WHEREAS**, WETA seeks to extend the Agreement term for one year through June 30, 2018 and set contractor compensation for the period to \$83,000; now, therefore, be it

**RESOLVED**, that the Board of Directors hereby approves Amendment No. 10 to Agreement No. 04-205 with Nematode Media, LLC, to extend the term of the Agreement for one year through June 30, 2018, and to set contractor compensation for the year to \$83,000, and authorizes the Executive Director to negotiate and execute the amendment.

**CERTIFICATION**

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on April 6, 2017.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary

2017-08

\*\*\*END\*\*\*

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**

**SUBJECT: Designation of Authorized Agents to Apply for Federal or State Disaster Assistance Funds**

**Recommendation**

Request the Board of Directors to designate the Executive Director, Nina Rannells, the Manager of Finance and Grants, Lynne Yu, and the Program Manager/Analyst, Lauren Gularte, as authorized agents to apply for and obtain disaster assistance funds from the Federal Emergency Management Agency (FEMA) and the California Governor's Office of Emergency Services (Cal OES) after a declaration of state or federal disaster.

**Background/Discussion**

The Robert T. Stafford Disaster Relief and Emergency Assistance Act authorizes FEMA to administer a federal disaster assistance program. The California Disaster Assistance Act authorizes Cal OES to administer a state disaster assistance program. These programs provide financial assistance to local government entities and certain private non-profit organizations in the event of a declared disaster. FEMA coordinates with Cal OES to implement its disaster assistance program. The objective of both programs is to provide supplemental assistance to eligible entities for the alleviation of suffering and hardship resulting from declared disasters.

WETA is a local government entity and is eligible to apply for disaster assistance funds should the agency incur eligible damage or provide eligible services directly related to the declared disaster. As a requirement of the application process, agencies must designate persons or staff positions that are authorized by the governing body of the agency to engage with FEMA and Cal OES regarding the application for such funds. This designation is required to be on file with Cal OES and is effective for all open and future disasters for up to three years following the date of the approval.

Designation of the authorized agents will allow WETA to generally apply for disaster assistance funds for damages to vessels or facilities as a result of a declared disaster. More specifically, it will allow WETA to apply for disaster assistance for the damage incurred to WETA's vessels as a result of the debris from the recent storms.

**Fiscal Impact**

There is no fiscal impact associated with this item.

\*\*\*END\*\*\*

**SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY**

**RESOLUTION NO. 2017-09**

**DESIGNATION OF AUTHORIZED AGENTS TO APPLY FOR  
FEDERAL OR STATE DISASTER ASSISTANCE FUNDS**

**WHEREAS**, the WETA, a public entity established under the laws of the State of California, tasked with operating and expanding ferry service on the San Francisco Bay and with coordinating the water transit response to regional emergencies; and

**WHEREAS**, Declarations of federal or state disasters in WETA's service area offer WETA the opportunity to apply for federal and state emergency financial assistance for related activities and repairs; and

**WHEREAS**, Financial assistance for disasters is overseen by the Federal Emergency Management Agency (FEMA) and/or California Governor's Office of Emergency Services (Cal OES); and

**WHEREAS**, Cal OES requires a resolution from WETA designating WETA's authorized agents for the purpose of applying for disaster assistance funds; now, therefore, be it

**RESOLVED**, That the Board of Directors hereby designates WETA's Executive Director, Manager of Finance and Grants and the Program Manager/Analyst as authorized agents for and on behalf of the WETA for the purpose of applying and obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act; and be it further

**RESOLVED**, That WETA hereby authorizes its agent(s) to provide to Cal OES for all matters pertaining to such state disaster assistance the assurances and agreements required; and be it further

**RESOLVED**, That this is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below; and be it further

**RESOLVED**, That Cal OES Form 130 will be executed and submitted with WETA Resolution No. 2017-09.

**CERTIFICATION**

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on April 6, 2017.

YEA:  
NAY:  
ABSTAIN:  
ABSENT:

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/s/ Board Secretary  
2017-09  
\*\*\*END\*\*\*

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**

**SUBJECT: State Legislative Report**

**Recommendation**

There is no specific recommendation associated with this item.

**Background/Discussion**

WETA contracts with Broad and Gusman, LLP for general state legislative and lobbying services. The attached memorandum, from Barry Broad of Broad and Gusman, LLP, provides an update on several pieces of state legislation that are currently under development that are relevant to transportation and WETA. Barry Broad will be present at the Board meeting to speak to these items and solicit input from the Board of Directors.

\*\*\*END\*\*\*

To: WETA Board Members

From: Barry Broad & Shane Gusman, State Lobbyists

Date: March 27, 2017

Re: State Legislative Report

We are now at the point in the legislative session where all bills have been introduced and they are starting to be heard in their first policy committee. An unusually large number of “spot bills”—i.e. bills with no content—have been introduced this year and so, while we know the ultimate content of most bills, some surprises may emerge as the actual substantive policy content is amended into the bills still in spot form.

#### WETA specific Legislation

Assembly Member David Chiu (D) San Francisco, has introduced AB 1121. While this bill is currently in spot bill form it does deal specifically with WETA. The author’s office has indicated that they intend to amend the bill to increase the size of the WETA Board, but that provision will be a placeholder to give the author time to settle on a final proposal. Assembly Member Chiu has indicated that the goal of his bill will be to enhance ferry service in the Bay Area. We are working with Assembly Member Chiu’s staff to develop a proposal that would help make our funding more stable and predictable.

#### Transportation Funding

Last year, the Governor called a special session of the Legislature to deal with the impending crisis in transportation funding caused by a projected long-term structural decline in gas tax revenues. The gas tax is the main funding source for building and repairing the transportation infrastructure. No action occurred last year as a political consensus could not be reached. Any solution that would provide stable, long term funding to replace declining gas tax revenues would involve raising other taxes and fees substantially and would be a two-thirds vote bill.

This year, the two respective Transportation Committee Chairs, Senator Jim Beall and Assembly Member Jim Frazier, have introduced nearly identical transportation funding bills, SB 1 and AB 1. The legislation raises various taxes and fees that will fund transportation infrastructure projects for many years into the future. However, with respect to funding transit operations, the bills contain a only a modest increase in a current competitive grant program funded by the auction of “cap and trade” pollution credits. This source of funding is quite volatile, so it cannot



be depended on to be available in any given year at a predictable level. The grants are awarded for the purchase of clean fuel vehicles.

At this point, while the Democrats hold two-thirds majorities in both houses of the Legislature, it is not certain that a consensus will be reached on the package. However, the Governor and legislative leaders are strongly supporting passage of a measure. The Republican caucus is skeptical but there may be some support for the measure among a few Republican members. The legislative leadership and the Governor have set a mid-April target date for passage of a bill.

### RM3

Most critical for WETA would be the successful passage of a Regional Measure 3 (RM3) bill allowing Bay Area voters to consider a bridge toll increase. At this point, however, an RM3 bill has not been introduced in this session. Both Assembly Member Frazier and Senator Beall have indicated that they will not consider an RM3 proposal until the larger transportation funding package has been considered. Once that has occurred, the two Chairs have indicated that they would be amenable to consideration of an RM3 measure later in the session.

### 55% Vote Threshold

Another idea that could result in increased funding for transit capital and operations would be lowering the two-thirds vote requirement for passage of local sales-tax measures to 55%. Senator Scott Weiner, (D) San Francisco, has introduced SCA 6 and Assembly Member Cecilia Aguilar-Curry, (D) Dixon, has introduced SCA 4, which would amend the constitution to allow for the lower vote threshold. Currently, about half of the local tax measures put before voters pass each election cycle. If the vote threshold was reduced to 55%, the passage rate would increase to about 90%. For WETA to access such funds, we would need to get the entity placing the measure on the ballot to include funding for ferry projects or operations in it. Currently, WETA does not possess the legal authority to put tax increase measures on the ballot.

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**

**SUBJECT: Authorize Staff to Issue a Request for Proposals for Federal Lobbying Services**

**Recommendation**

Authorize staff to issue a Request for Proposals (RFP) for federal lobbying services to support WETA's program of projects and services beginning July 1, 2017.

**Background/Discussion**

WETA has utilized the firm of Lindsay Hart, LLP (LH) to provide federal lobbying services since 2001. While Lindsay Hart, LLP has served WETA's interests well over the years, this contract is up for renewal on July 1, 2017, and is over ten years old. In keeping with Board direction to competitively bid professional service contracts that have been in place for ten years or more, staff recommends that the Board authorize staff to advertise this work for competitive bid this spring.

Federal lobbying services to be secured under the proposed RFP process would include assisting WETA in developing strategies and advocating for opportunities to attract Federal funds to support WETA's program of capital projects and services. The selected firm will be expected to have knowledge, interest and experience in the areas of public transportation, emergency response and maritime operations and should be familiar with funding opportunities and federal regulatory agencies associated with these functions. A strong working relationship with the San Francisco Bay Area delegation will also be important. The winning firm will act as WETA's agent in Washington D.C., and will be expected to provide regular updates to staff and the Board of Directors on pertinent issues and opportunities. Staff recommends structuring this RFP to be a fixed monthly retainer fee for services provided, which is standard for the industry, for an initial period of three years with options to extend this agreement for up to ten years.

With Board approval of this item, staff will issue a RFP for federal lobbying services in April, with the goal of being in a position to recommend Board approval of a contract in June for the new fiscal year beginning July 1, 2017.

**Fiscal Impact**

There is no fiscal impact associated with this item. However, funds to support these services will be included WETA's proposed FY 2017/18 budget.

\*\*\*END\*\*\*

**MEMORANDUM**

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director**

**SUBJECT: Authorize Staff to Issue a Request for Proposals for General Counsel Legal Services**

**Recommendation**

Authorize staff to issue a Request for Proposals (RFP) for General Counsel legal services.

**Background/Discussion**

WETA has utilized the firm of Nossaman LLP to serve as its General Counsel and to provide legal support for the agency since 2004. While Nossaman has served WETA's interests well in a wide variety of areas over the years, this contract is up for renewal on July 1, 2017, and is over ten years old. In keeping with Board direction to competitively bid professional service contracts that have been in place for ten years or more, staff recommends that the Board authorize staff to advertise this work for competitive bid this spring.

Legal services required by WETA include both General Counsel services to support WETA's ongoing operations – general legal advice for WETA staff and the Board of Directors on agency operational issues such as Board meeting proceedings, legislation, governance, procurement, contracts, employment, and policy development – and more specialized project-based work to address specific issues as they arise. Specialized project-based work varies year-to-year depending upon the agency's work program, but often includes such items as developing leases and other property transactions, providing review and oversight of environmental or other issues related to capital project development, providing legal support and guidance to ensure agency compliance with Federal Transit Administration and other regulatory agency rules and requirements, and providing legal review, analysis and support for other special subjects of interest or concern as they arise. Given the breadth and depth of services needed, the provision of General Counsel services through contract with an independent law firm is a reasonable approach to securing services to meet the agency's wide variety of legal needs.

Staff has contacted other transportation entities utilizing the services of external law firms to meet their General Counsel and legal services needs and has found two models generally used in contracting. The first involves establishing a fixed monthly retainer fee for General Counsel services and hourly rates for special project work that is identified during the year and billed on a time and materials basis. The second model establishes hourly billing rates for all legal services with work billed on a time and materials basis. Staff proposes to structure the RFP to request a fixed price monthly retainer fee for General Counsel services and hourly rates for special project work to be billed on a time and materials basis. This will provide the agency with a base cost for General Counsel services from year-to-year, and the ability to structure, track and manage specialized work on a project-by-project basis.

Staff recommends an initial term of five years for this contract, with an option to extend up to an additional five years given the sensitive nature of this work and the importance of establishing a strong and collaborative relationship between WETA staff, the Board of Directors and the legal team.

With Board approval of this item, staff will issue a RFP for legal services in April, with the goal of being in a position to recommend Board approval of a contract in June for the new fiscal year beginning July 1, 2017.

**Fiscal Impact**

There is no fiscal impact associated with this item. However, funds to support these services will be included WETA's proposed FY 2017/18 budget.

\*\*\*END\*\*\*