

Members of the Board

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

BOARD OF DIRECTORS MEETING
Thursday, October 5, 2017 at 1:15 p.m.
San Francisco Bay Area
Water Emergency Transportation Authority
Port of San Francisco
Pier 1; San Francisco

The full agenda packet is available for download at 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. State and Federal Legislative Updates
6. CONSENT CALENDAR *Action*
 - a. Board Meeting Minutes – September 7, 2017
 - b. Request Authorization to Execute a Memorandum of Understanding for \$1,100,000 Proposition K Funds to Support the Downtown San Francisco Ferry Terminal Expansion Project
7. APPROVE CONTRACT AWARD TO BAY SHIP & YACHT CO. FOR MV SOLANO PROPULSION TRAIN SUBCOMPONENT REPLACEMENT AND UPGRADES PROJECT *Action*
8. AUTHORIZE BUDGET ADJUSTMENT FOR THE MID-LIFE REFURBISHMENT OF THE MV PERALTA *Action*
9. HARBOR BAY TERMINAL PARKING AND ACCESS UPDATE *Information/Action*
10. PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

All items appearing on the agenda are subject to action by the Board of Directors. Staff recommendations are subject to action and change by the Board of Directors.

Water Emergency Transportation Authority
October 5, 2017 Meeting of the Board of Directors

PUBLIC COMMENTS The WETA welcomes comments from the public. Each person wishing to address the Board of Directors is requested to complete a Speaker Card. Please forward completed Speaker Card and any reports/handouts to the Board Secretary. Speakers will be allotted no more than three (3) minutes to speak and will be heard in the order of sign-up. Said time frames may be extended only upon approval of the Board of Directors.

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.

Agenda Items: Speakers on individual agenda items will be called in order of sign-up after the discussion of each agenda item.

WETA meetings are wheelchair accessible. Upon request, WETA will provide written agenda materials in appropriate alternative formats to individuals with disabilities. In addition, the WETA will arrange for disability-related modifications or accommodations including auxiliary aids or services to enable individuals with disabilities to participate in public meetings. Please send a written request including your name, mailing address, telephone number and brief description of the requested materials in preferred alternative format and/or auxiliary aid or service at least five (5) days before the meeting. Requests should be made by mail to: Board Secretary, WETA, 9 Pier, Suite 111, San Francisco, CA 94111; by e-mail to: contactus@watertransit.org; or by telephone: (415) 291-3377.

MEMORANDUM

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: October 5, 2017

RE: Executive Director's Report

CAPITAL PROJECT IMPLEMENTATION UPDATE

4 New Vessels – Central Bay

This project will construct four new high-speed propeller propulsion vessels; two to replace the MV *Encinal* and *Harbor Bay Express II* and two to support the growing demand for WETA services.

The Board of Directors approved a contract with Aurora Marine Design (AMD) for vessel construction management services in December 2013, and with Kvichak Marine Industries - now Vigor Kvichak (Vigor) - in April 2015 for the construction of two new replacement vessels. Vessel construction began in September 2015. The first of these vessels, the MV *Hydrus*, was completed in March and put into revenue service in April 2017. The second of these vessels, the MV *Cetus*, was placed into revenue service in August 2017.

On October 6, 2016 the Board of Directors approved a contract award to Vigor for construction of two additional vessels and with Aurora Marine Design for construction management services. Progress to date has included purchase of main propulsion engines and material for hull construction. Hull construction for both vessels is near completion. The cabin module is being built at the Vigor Harbor Island facility. Vessel 3 is currently on schedule for completion in February 2018, and Vessel 4 is scheduled for completion in November 2018.

3 New Vessels – North Bay

This project will construct three new high-speed jet propulsion vessels; one to replace the MV *Vallejo* and two to support WETA's plans to meet Vallejo service demand and operate 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. Initial vessel construction is underway.

The design and engineering work for the three new vessels is 90% complete and is expected to wrap up by the end of October. All major machinery and equipment has been ordered. The first shipset of waterjets has been delivered. The new generation EPA Tier 4 engines are undergoing factory testing in October and will be delivered to the shipyard in February 2018. The shipyard has laid keels for the first two vessels. The hulls for the first vessel are 64% complete, while the hulls for the second vessel are 37% complete. All hull framing for the third vessel is also complete. The first vessel is scheduled for delivery in December 2018.

MV *Taurus* Quarter-Life Project

This project provides for a general refurbishment of the vessel and includes increasing the passenger capacity from 199 to 225. On June 8, 2017 the Board of Directors approved a

contract award to Bay Ship & Yacht. Work on this project is underway and is scheduled to be completed in November 2017.

Vallejo Ferry Terminal Dredging

This project will dredge the Vallejo Ferry Terminal basin which filled in with silt after heavy river runoff from major winter storms. The Board of Directors awarded a contract to Dutra Construction Company at the September 2017 meeting. Work is scheduled to be completed by the end of October 2017.

North Bay Operations and Maintenance Facility

This project constructed a new ferry operations and maintenance facility located on Mare Island in Vallejo. Landside construction was completed by West Bay Builders and waterside construction was completed by Dutra Construction Company. Construction management services were provided by Weston Solutions, Inc. Operations and maintenance staff completed their transition into the new facility during the first week of January 2017 and are in the process of cleaning up and closing out the old maintenance site. A final component of this project will be to complete pile reconfiguration and modification work this fall.

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 and operation. The project is being constructed by Overaa/Power, a Joint Venture and construction management is being provided by 4Leaf, Inc. The building exterior skin was recently installed and preparations are underway for the waterside installation of floats and piles. This project is scheduled for completion in spring/summer 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. Project construction is being provided by Power Engineering under a Guaranteed Maximum Price contract and construction management is being provided by CH2M Hill Engineers.

Site work began in February 2017, including the installation of construction fencing, site demolition, and placement of seismic, noise, vibration, and settlement monitoring devices. Dredging and pile driving work began in June and will continue into the early fall. Next, the contractor will build forms and pour concrete to build the bridge and connecting arcade to two new gates: F and G. This project is scheduled to be completed in late 2019.

Staff has met several times with the Steuart Street Business Association to discuss their concerns over construction site activities, equipment and fencing. WETA's staff and construction team have developed cost estimates for an alternative fencing treatment for discussion.

Richmond Ferry Terminal and Service

This project will construct a ferry terminal in Richmond to support new public transit ferry service between Richmond and San Francisco. Construction will consist of replacement of an existing facility (float and gangway) and a phased parking plan. Manson Construction is the main contractor and construction management is being provided by Ghiradelli Associates. New service will be operated with the support of Contra Costa County Measure J funds authorized by the Contra Costa County Transportation Authority in March 2015 and any remaining balance of RM2 operating funds not needed to support existing services.

Project dredging and pile removal is expected to begin in October. Construction of the landside portion of the terminal is expected to begin in January 2018. The estimated start date for Richmond operations is currently September 2018.

SERVICE DEVELOPMENT UPDATE

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 2023 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 Memorandum of Understanding (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 began the process in partnership with WETA. To support the effort, the City and Port of San Francisco 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 fall 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 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 City Council authorized a residential parking permit program for the Harbor Bay Ferry Terminal area in February 2017. City of Alameda staff has coordinated with the Harbor Bay Master Homeowner's Association to develop a strategy for implementing the residential permit and enforcement program, including outreach to surrounding communities and ferry riders. On June 27, the City began the outreach effort with cooperation from WETA through the Bay Alerts system. The City will continue its outreach process through the end of August and begin active enforcement in September 2017. To make up for the loss of parking, WETA has been working with the City to develop strategies to enhance alternative access to the terminal. WETA has recently executed an agreement with AC Transit to offer a free transfer to ferry riders that take the bus to the ferry. In addition, bike lockers have been upgraded and new bike racks have been installed.

At the request of the Harbor Bay Homeowner's Association and the City of Alameda, WETA has been considering a parking fee at the Harbor Bay lot. 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 2016 and it will be used to guide the development of a specific paid parking program for the Harbor Bay Terminal site. Staff anticipates bringing a recommendation for a parking fee program in early 2018.

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 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.

Solano County Water Transit Plan and Financial Feasibility Study

The Solano Transportation Authority (STA) is preparing to conduct a feasibility study of potential ferry and water transit routes in Solano County. STA has asked WETA to partner on the study by serving on a Technical Advisory Committee and funding the necessary ridership forecasting tasks, similar to the role WETA played in the 2014 Ferry Feasibility Study in Contra Costa

County. The STA study is expected to begin by January and be complete in the summer of 2018. Staff will provide the Board with updates as the study progresses.

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:

WETA's P25 radios have been transferred to the East Bay Regional Communication System (EBRCS) to provide sufficient coverage for WETA's emergency communication needs. The radios have been redistributed and training was conducted last month with WETA and Blue & Gold staff. WETA will still need to utilize a couple of channels on the San Francisco system. Staff is working with the City of San Francisco to develop a MOU for use of these radios.

- Based on an analysis of various communication equipment, staff has determined that the best option to provide to Blue & Gold Fleet to implement their staff recall plan are satellite phones. Satellite phones and contact lists have been distributed to Blue & Gold management and training has been conducted. Blue & Gold Fleet is working to finalize their staff recall plan which will include enabling select staff to access additional satellite phones at key locations in order to recall crews when regular communication systems are down. WETA and Blue & Gold are aiming to test the recall plan this fall/winter.

Metropolitan Transportation Commission 2017 Functional Exercise: :

On October 25, WETA will participate in MTC's 2017 Functional Exercise simulating our response to a major earthquake. WETA's objectives for this exercise include the following:

1. Evaluate and validate processes and procedures in the WETA EOP for disaster emergency notification and activation of WETA staff and contract operator management within 30 minutes of an incident.
2. Evaluate and validate the procedures for activating and operating a WETA EOC within an hour of notification.
3. Evaluate the ability of WETA and the Contract Operator to develop an emergency water transportation operational service plan within two hours of direction from proper authority.

OPERATIONS REPORT

Monthly Operating Statistics - The Monthly Operating Statistics Reports for August 2017 are provided as Attachment A.

FLEET WEEK 2017

Service planing and schedules are complete for enhanced weekend service for the Alameda/Oakland and Vallejo routes.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On September 8, Kevin Connolly and Ernest Sanchez met with the Steuart Street Business Association regarding fencing at the Downtown San Francisco Ferry Terminal Expansion Project site.

On September 12, Nina Rannells, Kevin Connolly, Chad Mason and Michael Gougherty received a tour of the UA Local 159 (Plumbers) and IBEW Local 302 (Electricians) training facilities in Martinez as arranged by Bill Whitney, CEO of the Contra Costa Building and Construction Trades Council.

On September 13, Lauren Gularte attended the Elected and Senior Government Official Radiological/Nuclear Terrorism Workshop hosted by the Urban Area Security Initiative.

On September 15, Lauren Gularte attended the Regional Business Outreach Committee monthly meeting.

On September 18, Nina Rannells attended the Clipper Executive Board meeting in Oakland.

On September 18, Kevin Connolly met with staff from the City of Alameda and AC Transit.

On September 19, Kevin Connolly provided a presentation on WETA's services and future plans to the San Francisco Chamber Public Policy Forum.

On September 19, Lauren Gularte attended the Federal Reserve Emergency Preparedness Fair.

On September 20, Lauren Gularte participated in the Business Outreach Committee's annual DBE Certification Workshop.

On September 22, Kevin Connolly attended a meeting hosted by the Bay Area Council to discuss Amazon's Second Headquarters Request for Proposals.

On September 28, Kevin Connolly and Chad Mason participated in a tour of the Richmond waterfront hosted by the Richmond Council of Industries.

On September 28, Lauren Gularte participated in the Port of San Francisco's 2017 Earthquake Exercise.

On September 29, Kevin Connolly and Ernest Sanchez met with the Steuart Street Business Association to review cost estimates for fence modifications at the Downtown San Francisco Ferry Terminal Expansion project construction site.

On October 3, Lauren Gularte will attend the City of San Francisco's Evacuation & Operation Return Workshop Initial Planning Meeting in preparation for an exercise testing the City of San Francisco's evacuation and return of first responders procedures scheduled for December 5.

OTHER BUSINESS

Assembly Bill 1121 (Chiu)

Assemblymember David Chiu (D) San Francisco, has introduced AB-1121 to make changes to WETA and enhance its ability to provide regional ferry services in the Bay Area. The bill, which passed to the Senate on May 18, 2017, includes language to increase the membership of the WETA Board of Directors to nine members, with five members to be appointed by the Governor, two members to be appointed by the Senate Committee on Rules and two members to be appointed by the Speaker of the Assembly. This has been made into a two-year bill that can be considered next year by the legislature.

Senate Bill 595 (Beall) - Regional Measure 3

Senate Bill 595 (Beall) was introduced by Senator Beall on February 17, 2017, to authorize a new bridge toll measure to raise the tolls on the state-owned bridges to fund a program of transportation improvements. The Board adopted a Regional Measure Three Principles and Investment Program at its June 2017 meeting and authorized staff to communicate a support position for the bill at its meeting in July.

SB 595 was enrolled on September 19, and has been presented to the Governor for his consideration. He has until October 15 to sign the bill. The final bill, with amendments, provides \$300 million for WETA capital projects and an annual operating set-aside of \$10 million in the first year of allocation, \$15 million in the second year, \$20 million in the third year, \$25 million in the fourth year and \$35 million in the fifth year and thereafter. These amounts would be reduced by a pro-rata share in the event that something less than a three dollar toll is approved. Operating funds not allocated in a given year will be set aside in a reserve for use by WETA in future years.

Renewable Diesel Investigation

The Port of San Francisco has approached Bay Area ferry operators to request that they switch to utilizing renewable diesel for the operation of ferry vessels in 2018. 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 working with its propulsion and emission treatment equipment manufacturers to determine if use of this fuel is technically feasible.

Organizational Review

Staff has engaged the services of Koff & Associates, a local Human Resources consulting firm, to assist in a variety of general and specific human resources needs and projects. An early task will be to review position requirements and job descriptions and prepare a market compensation study consistent with the compensation policy included in WETA's Human Resources Guide. This initial work will be completed this fall.

END

Attachment A

Monthly Operating Statistics Report August 2017

		Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
Vs. last month	Total Passengers August 2017	132,027	30,504	13,243	106,229	282,003
	Total Passengers July 2017	146,126	26,313	11,247	105,751	289,437
	Percent change	-9.65%	15.93%	17.75%	0.45%	-2.57%
Vs. same month last year	Total Passengers August 2017	132,027	30,504	13,243	106,229	282,003
	Total Passengers August 2016	128,769	28,990	12,447	101,669	271,875
	Percent change	2.53%	5.22%	6.40%	4.49%	3.73%
Vs. prior FY to date	Total Passengers Current FY To Date	146,126	26,313	11,247	105,751	289,437
	Total Passengers Last FY To Date	134,453	25,116	10,419	100,426	270,414
	Percent change	8.68%	4.77%	7.95%	5.30%	7.03%
Ops Stats	Avg Weekday Ridership August 2017	4,315	1,326	576	3,834	10,051
	Passengers Per Hour	160	203	74	154	153
	Revenue Hours	827	150	178	691	1,846
Fuel	Revenue Miles	11,580	3,304	2,841	19,959	37,684
	Fuel Used (gallons)	54,859	12,403	10,729	161,067	239,058
	Avg Cost per gallon	\$2.12	\$2.12	\$2.12	\$2.08	\$2.09

* Includes backup bus boardings. August bus ridership totaled 184 for Vallejo.

MEMORANDUM

TO: Board Members

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

**SUBJECT: Monthly Review of FY 2017/18 Financial Statements for Two Months
Ending August 31, 2017**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2017/18 Financial Statements for two months ending August 31, 2017.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$3,755,954	\$3,201,680	\$4,156,413
Bridge Toll Revenues	1,674,828	3,601,588	1,843,823
Other Revenues	350	123,660	-
Total Operating Revenues	\$5,431,132	\$6,926,929	\$6,000,236
Expenses - Year To Date:			
Planning & Administration	\$297,859	\$509,589	\$237,586
Ferry Services	5,133,273	6,417,340	5,762,649
Total Operations Expenses	\$5,431,132	\$6,926,929	\$6,000,236
System-Wide Farebox Recovery %	73%	50%	72%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2017/18 Budget
Revenues:		
Federal Funds	\$4,488,143	19.42%
State Funds	4,450,590	5.06%
Bridge Toll Revenues	1,639,263	7.57%
Other Revenues	25,132	1.36%
Total Capital Revenues	\$10,603,127	7.88%
Expenses:		
Total Capital Expenses	\$10,603,127	7.88%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 201/18 Statement of Revenues and Expenses
For Two Month Ending 8/31/2017

% of Year Elapsed 17%

	Current Month	Year - To - Date			Total FY 2017/18 Budget	% of Total Budget
		FY2016/17 Actual	FY 2017/18 Budget	FY 2017/18 Actual		
OPERATING EXPENSES						
<u>PLANNING & GENERAL ADMIN:</u>						
Wages and Fringe Benefits	\$75,076	\$140,937	\$241,121	\$161,989	1,419,500	11.4%
Services	53,021	182,896	281,463	120,318	1,657,000	7.3%
Materials and Supplies	3,472	1,039	14,642	3,863	86,200	4.5%
Utilities	1,969	983	4,841	3,481	28,500	12.2%
Insurance	-	1,178	4,416	1,201	26,000	4.6%
Miscellaneous	(1,501)	26,653	44,045	(329)	259,300	-0.1%
Leases and Rentals	29,990	50,636	62,612	60,978	368,600	16.5%
Admin Overhead Expense Transfer	(55,509)	(106,463)	(143,551)	(113,914)	(845,100)	13.5%
Sub-Total Planning & Gen Admin	\$106,519	\$297,859	\$509,589	\$237,586	3,000,000	7.9%
<u>FERRY OPERATIONS:</u>						
<u>Harbor Bay FerryService</u>						
Purchased Transportation	\$134,975	\$251,994	\$344,397	\$291,608	2,027,500	14.4%
Fuel - Diesel & Urea	26,329	46,373	86,953	56,329	511,900	11.0%
Other Direct Operating Expenses	30,342	56,725	95,684	60,922	563,300	10.8%
Admin Overhead Expense Transfer	7,042	13,697	18,209	14,329	107,200	13.4%
Sub-Total Harbor Bay Farebox Recovery	\$198,688	\$368,789	\$545,243	\$423,189	3,209,900	13.2%
	70%	68%	49%	62%	49%	
<u>Alameda/Oakland Ferry Service</u>						
Purchased Transportation	\$652,216	\$1,280,098	\$1,457,051	\$1,481,461	8,577,800	17.3%
Fuel - Diesel & Urea	116,454	210,079	345,501	240,096	2,034,000	11.8%
Other Direct Operating Expenses	79,260	162,784	300,284	170,072	1,767,800	9.6%
Admin Overhead Expense Transfer	24,076	43,818	61,966	49,772	364,800	13.6%
Sub-Total Alameda/Oakland Farebox Recovery	\$872,005	\$1,696,779	\$2,164,802	\$1,941,401	12,744,400	15.2%
	76%	80%	47%	76%	47%	
<u>Vallejo FerryService</u>						
Purchased Transportation	\$856,296	\$1,759,999	\$1,806,986	\$1,847,791	10,637,900	17.4%
Fuel - Diesel & Urea	334,909	605,255	907,425	697,136	5,342,100	13.0%
Other Direct Operating Expenses	133,734	195,489	269,793	297,332	1,588,300	18.7%
Admin Overhead Expense Transfer	20,671	41,010	53,405	42,532	314,400	13.5%
Sub-Total Vallejo Farebox Recovery	\$1,345,609	\$2,601,753	\$3,037,609	\$2,884,790	17,882,700	16.1%
	73%	76%	57%	78%	57%	
<u>South San Francisco FerryService</u>						
Purchased Transportation	\$171,892	\$334,448	\$458,477	\$385,217	2,699,100	14.3%
Fuel - Diesel & Urea	22,775	61,847	99,030	52,818	583,000	9.1%
Other Direct Operating Expenses	36,758	61,719	102,207	67,953	601,700	11.3%
Admin Overhead Expense Transfer	3,720	7,938	9,971	7,281	58,700	12.4%
Sub-Total South San Francisco Farebox Recovery	\$235,146	\$465,951	\$669,685	\$513,270	3,942,500	13.0%
	40%	35%	26%	35%	26%	
Total Operating Expenses	\$2,757,967	\$5,431,132	\$6,926,929	\$6,000,236	\$40,779,500	14.7%
OPERATING REVENUES						
Fare Revenue	\$1,874,645	\$3,755,954	\$3,201,680	\$4,156,413	18,848,600	22.1%
Regional - Bridge Toll	883,322	1,674,828	3,601,588	1,843,823	21,202,900	8.7%
Regional - Alameda Tax & Assessment	-		123,660	-	728,000	0%
Other Revenue	-	350	-	-	-	0%
Total Operating Revenues	\$2,757,967	\$5,431,132	\$6,926,929	\$6,000,236	\$40,779,500	14.7%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2017/18 Statement of Revenues and Expenses
For Two Month Ending 8/31/2017

Project Description	Current Month	Project Budget	Prior Years Actual	FY2017/18 Budget	FY2017/18 Actual	Future Year	% of Total Project Budget
CAPITAL EXPENSES:							
<u>FACILITIES:</u>							
Terminal Construction							
Downtown Ferry Terminal Expansion - South Basin	\$172,794	\$97,965,000	\$15,787,480	\$36,792,520	\$2,531,772	\$45,385,000	19%
Richmond Ferry Terminal	486,658	20,000,000	2,590,699	12,409,301	\$529,793	5,000,000	16%
Maintenance and Operations Facilities							
North Bay Operations & Maintenance Facility	10,350	31,082,000	29,996,658	1,085,342	12,322	0	97%
Central Bay Operations & Maintenance Facility	19,006	69,500,000	31,431,761	37,068,239	\$2,340,748	1,000,000	49%
<u>FERRY VESSELS:</u>							
Vessel Construction							
400-Pax Replacement Vessels - M/V Hydrus & M/V Cetus	1,230,974	33,951,000	31,175,793	2,775,207	\$1,247,843	-	96%
445-Pax Replacement Vessel - M/V Vallejo	648,767	23,372,000	4,694,001	12,777,999	\$1,184,965	5,900,000	25%
445-Pax Expansion (Waterjet) Vessels - 2 vessels	916,720	46,745,000	7,619,930	11,000,070	\$2,144,117	28,125,000	21%
400-Pax Expansion (Propeller) Vessels - 2 vessels	1,935	33,400,000	17,552,573	10,847,427	\$2,750	5,000,000	53%
Vessel Rehabilitation and Refurbishment							
Vessel Mid-Life Refurbishment Phase II - M/V Peralta	3,791	2,111,047	-	2,111,047	\$7,008	-	0%
Major Component Rehabilitation - M/V Solano	500	430,000	8,503	421,497	\$3,284	-	3%
Vessel Engine Overhaul - M/V Bay Breeze	73,317	850,000	-	850,000	\$78,522	-	9%
Vessel Qtr-Life Refurbishment - M/V Taurus	518,036	2,500,000	-	2,500,000	\$520,004	-	21%
Vessel Engine Overhaul - M/V Intintoli and M/V Mare Island	-	3,000,000	-	15,000	\$0	2,985,000	0%
Vessel Qtr-Life Refurbishment - M/V Scorpio	-	2,500,000	-	2,500,000	\$0	-	0%
<u>CAPITAL EQUIPMENT / OTHER:</u>							
CCTV and LCD Network Integration	-	400,000	-	400,000	\$0	-	0%
Purchase Lifesaving Equipment (IBAs)	-	90,000	-	90,000	\$0	-	0%
Purchase Spare Vessel Engine	-	400,000	-	400,000	\$0	-	0%
Purchase Service Vehicles	-	500,000	-	500,000	\$0	-	0%
Total Capital Expenses	\$4,082,847	\$368,796,047	\$140,857,399	\$134,543,647	\$10,603,127	\$93,395,000	
CAPITAL REVENUES:							
Federal Funds	\$2,330,044	\$79,640,054	\$35,497,889	\$23,114,939	\$4,488,143	\$21,027,226	50%
State Funds	898,284	225,349,000	81,530,443	87,928,580	4,450,590	55,889,976	38%
Regional - Bridge Toll	853,762	57,381,032	19,915,315	21,647,919	1,639,263	15,817,797	38%
Regional - Alameda Sales Tax Measure B / BB	758	4,835,961	3,913,752	922,209	25,132	-	81%
Regional - Alameda TIF / LLAD	-	490,000	-	490,000	-	-	0%
Regional - San Francisco Sales Tax Prop K	-	1,100,000	-	440,000	-	660,000	0%
Total Capital Revenues	\$4,082,847	\$368,796,047	\$140,857,399	\$134,543,647	\$10,603,127	\$93,395,000	

To: WETA Board Members

From: Barry Broad & Shane Gusman, State Lobbyists

Date: September 28, 2017

Re: State Legislative Report

The 2017 session of the California Legislative ended on September 15 and the Governor has until October 15 to sign or veto legislation on his desk.

Regional Measure 3

SB 595 (Beall), which will authorize the placement of a bridge toll increase measure on the ballot for consideration by Bay Area voters, was passed in the Legislature. The final vote was 27-13 in the State Senate and 43-31, with 5 abstentions, in the State Assembly. Not all members of the Bay Area Delegation supported the measure, with three Assembly Members (Jim Frazier, Tim Grayson, and Katherine Baker) voting "no."

At this writing, the Governor has not yet taken action on the bill.

The final version of the bill will provide WETA up to \$300 million in capital funds for expanded ferry service and \$35 million annually in operating revenues (depending on what size of a bridge toll the voters approve). The \$35 million in operating funds is scaled up over a period of five years.

SB 595 also contains a provision we requested to clarify that any unused funds generated by RM3 shall be held by the Metropolitan Transportation Commission in a reserve account that WETA can use in future years. In addition, there is a provision of the bill that WETA will establish an expenditure plan and that MTC and WETA will develop performance measures for enhanced ferry service.

Another important feature of the legislation authorizes the Bay Area Transportation Authority to phase in the toll increase (if approved by the voters) over a period of time and to adjust the toll increase to inflation after the increase is completely phased in. This would mean that future bridge toll increases would not have to go through the legislative process and be approved by the voters.

SB 595, if signed by the Governor and approved by voters, will help fund a very significant expansion of ferry service in the Bay Area. The bill represents a major success for WETA and we very much appreciate the help we received from staff and our board members, who worked tirelessly to make SB 595 a reality.

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – October 2017

This report covers the following topics:

1. Working with Labor
2. Expanding the WETA Footprint on Capitol Hill
3. Pursuing FTA Ferry Grant

Working with Labor

As part of our ongoing work to build and maintain Congressional support for WETA generally, and for our FTA applications specifically, we continue to work with the labor union representatives here in Washington DC. The representatives of the Master, Mates & Pilots and the ILWU/Inland Boatman's Union have been kept fully informed of WETA's expansion plans, and funding needs, and over the past years, have been excellent partners on Capitol Hill and also at the US Dept of Transportation.

Recently we met again for a briefing session with MM&P, particularly as it has deep relationships with Members of Congress who sit on the Transportation and Infrastructure Committee. That Committee and its Senate counterpart have jurisdiction over ferry transportation. Thus they will play a central role in the development of the long-promised infrastructure legislation, into which we hope to include expanded Federal funding for public ferries. Our labor partners have been briefed and look forward to accompanying us to Capitol Hill at the right moments, and we assist them in other communications to the federal agencies and key Members of Congress including: Reps. Garamendi, Swalwell, Speier, Pelosi, Thompson, Huffman (all of the Bay Area), as well as Reps. Larson and Jayapal who represent the WA Congressional Districts in which the shipyards building WETA vessels are located. They will be communicating their support for the WETA FTA grant applications when they are submitted.

Expanding WETA's Capitol Hill Footprint

We are always seeking to expand the list of Members of Congress willing to advocate for WETA. As we know from WA Senator Patty Murray's support of WETA, they need not represent a CA jurisdiction. Many sit on committees that play an outsized role in determining the future of public ferry funding and programs. As WETA expands its sourcing footprint – to San Diego shipyard, and to subcontractors and suppliers of components located around the country, it helps us reach new and more distant members of Congress who appreciate the work that WETA generates for their own constituents. Working with WETA staff we are compiling a comprehensive list of WETA suppliers and subcontractors, and beginning outreach to them. Our goal is to engage them to advocate for WETA funding and public ferry programs, at the appropriate time.

FTA Grants

The time is approaching for submission of the WETA applications for the Federal Transit Administration's Ferry Grant Program. Successful grant applications have provided a steady source of funding for WETA over the past 6 years. We are discerning the particular points the FTA staff will be looking for, as they review applications. Hitting these points will determine the success of this year's grant application.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger
September 20, 2017

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

(September 7, 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 1:19 p.m.

2. ROLL CALL

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

3. REPORT OF BOARD CHAIR

Chair Breckenridge opened the meeting by inviting Directors, staff and guests to join her in a moment of silence for those affected by hurricanes Harvey and Irma and the recent myriad wildfires in the western part of the country. She said that it had been a week since the hurricane devastation initially hit the Southeast and Gulf areas of the country and that damaged ports were just now reopening. Chair Breckenridge said that the post disaster protocols for maritime were very different than for land, and she emphasized the importance of educating legislators about those differences when seeking emergency response funding and support.

Chair Breckenridge also reported that on August 23 she had testified in Sacramento at the Joint Legislative Committee on Emergency Response. She said it had been an excellent educational opportunity to speak on ferry emergency response, including what was in the WETA Emergency Response Plan.

Chair Breckenridge said that as part of the California Governor's Military Council, she had also taken part in a bipartisan California Defense Summit. She said that because of the recent natural disasters, the subject of emergency response planning arose and that new capabilities had been identified for WETA which she would be discussing with staff to assure they were included in the WETA Emergency Response Plan. Chair Breckenridge added that as a result of this summit, top representatives from the California National Guard and California Governor's Office of Emergency Services would be visiting the Bay Area soon to specifically assess and discuss ferry evacuation and other issues related to the region's emergency response capabilities.

Chair Breckenridge extended special thanks to Vice Chair Wunderman and Director DelBono for their recent outreach in Sacramento, especially their Regional Measure 3 (RM3) educational and advocacy efforts.

Chair Breckenridge asked Directors to read through a letter sent to the Board from a rider concerned about the recent parking changes at the Harbor Bay Terminal in Alameda. It was agreed that it would be agendaized for Directors to receive an update from a City of Alameda representative on the matter at the next meeting.

4. REPORTS OF DIRECTORS

Vice Chair Wunderman thanked Chair Breckenridge for the moment of silence and agreed that the recent disasters in Houston and the Caribbean were devastating. He noted that the biggest potential threat in California was a major earthquake, which would not allow for advance warning as a hurricane generally does. He added that recent disasters were strong reminders that a large piece of WETA's responsibility was to be prepared to respond to natural disasters of any sort.

Vice Chair Wunderman said that his and the Bay Area Council's priorities for the last few months have been shaping the RM3 conversation. He said that after many conversations, nearly every legislator and staff person in Sacramento was much more knowledgeable about WETA and the general value of ferry service in the region. He explained that there had been a lot of give and take in the process of crafting the details for the measure, and said WETA now had the support of the Bay Area Caucus. He said amendments could still be offered, that Governor Brown would still need to sign the bill, and that there would need to be major campaign efforts to help assure the measure passes but that he had never been more hopeful about funding for water transportation service in this region than right now.

Vice Chair Wunderman said he was aware that staff had been working with the Boulevard restaurant and other stakeholders on the waterfront to receive and respond to feedback about the Downtown Ferry Terminal Expansion Project construction. He said he wanted to thank staff for being responsive to the group and working diligently to try and meet their needs.

Director DelBono said he appreciated the work that staff and the Bay Area Council had been doing to help further the RM3 conversations and said that process was a team effort.

Director Donovan said it will be good to have some permanent structure in place for WETA's funding, and he also extended his appreciation to staff and the Bay Area Council for the RM3 efforts.

5. REPORTS OF STAFF

Executive Director Nina Rannells shared her written report with Directors and welcomed questions. She noted that ridership in July was up 7 percent and Labor Day ridership was also higher this year than last. Ms. Rannells added that the new vessel, the MV *Cetus*, had been added to the fleet and put into service in August.

Ms. Rannells thanked the Board and particularly Vice Chair Wunderman and Director DelBono for their work in support of WETA throughout the RM3 discussions. She said an amendment had been approved in the California Assembly on September 5 that clarified capital projects funding and included some crucial key language to support more control and flexibility for WETA operating funds.

6. CONSENT CALENDAR

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

- a. Board Meeting Minutes – July 6, 2017
- b. Approve Amendment No. 1 to Clipper Memorandum of Understanding

Vice Chair Wunderman seconded the motion and the consent calendar carried unanimously.

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

7. APPROVE CONTRACT AWARD TO R. E. STAITE ENGINEERING, INC. FOR THE NORTH BAY OPERATIONS AND MAINTENANCE FACILITY PILE RECONFIGURATION PROJECT

Senior Planner Chad Mason presented this item to approve contract award to R. E. Staite Engineering, Inc. in an amount not to exceed \$450,000 for the North Bay Operations and Maintenance Facility Pile Reconfiguration Project, and authorize the Executive Director to negotiate and enter into a contract and take any other related actions as may be necessary to support this work.

Director Donovan made a motion to approve the item.

Director DelBono seconded the motion and the item carried unanimously.

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

8. APPROVE CONTRACT AWARD TO THE DUTRA GROUP FOR THE VALLEJO FERRY TERMINAL DREDGING PROJECT

Operations Manager Keith Stahnke presented this item to approve contract award to The Dutra Group in an amount not to exceed \$318,750 for the Vallejo Ferry Terminal Dredging Project and authorize the Executive Director to negotiate and enter into a contract and take any other related actions as may be necessary to support this work.

Chair Breckenridge asked if staff had included the dredging that has to be done because of last winter's storms in its requests for emergency response reimbursement and Mr. Stahnke said yes.

Vice Chair Wunderman made a motion to approve the item.

Director Donovan seconded the motion and the item carried unanimously.

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

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

There were no public comments.

All business having been concluded, the meeting was adjourned at 1:58 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Request Authorization to Execute a Memorandum of Understanding for \$1,100,000 Proposition K Funds to Support the Downtown San Francisco Ferry Terminal Expansion Project

Recommendation

Approve a Memorandum of Understanding (MOU) with the Port of San Francisco (Port) for the pass through of \$1,100,000 Proposition K funds to support the Downtown San Francisco Ferry Terminal Expansion project and authorize the Executive Director to execute this agreement.

Background/Discussion

Proposition K (Prop K) is a half-cent local sales tax for transportation improvements approved by San Francisco voters in November 2013 and administered by the San Francisco County Transportation Authority (SFCTA). The Prop K Expenditure Plan requires that each programmatic category develop a 5-Year Prioritization Programs (5YPPs) prior to receiving Prop K allocations. On June 24, 2014, SFCTA approved a 5YPPs that includes funding to improve the downtown ferry terminals, including \$1,100,000 to support the Downtown San Francisco Ferry Terminal Expansion (DFTX) project. As the eligible recipient for these funds, the Port must enter into an MOU with WETA to pass through these funds to support project construction activities.

In spring 2017, the Port and WETA submitted a Prop K allocation request to SFCTA for these funds to support the construction of the DFTX project. On May 23, 2017, SFCTA approved the allocation request. Port and WETA staffs have developed a Proposition K funding MOU, provided as **Attachment A**, which identifies each agency's role in delivering the DFTX project. As the recipient of the Prop K funds, the Port will serve as the Project Sponsor responsible for seeking reimbursements from SFCTA for eligible expenses. WETA will serve as the Project Manager responsible for the delivery of the project and the management of the Prop K funds in accordance to the Standard Grant Agreement, provided as **Attachment B**, between SFCTA and the Port.

Fiscal Impact

This Memorandum of Understanding will provide \$1,100,000 in capital funds to support the construction of the Downtown San Francisco Ferry Terminal Expansion project.

END

Attachment A

Memorandum of Understanding

Proposition K Grant for Downtown Ferry Terminal - South Basin Improvements

This memorandum of understanding (the “MOU”) is entered into by and between the San Francisco Bay Area Water Emergency Transportation Authority (“WETA”) and the City and County of San Francisco, acting by and through the San Francisco Port Commission (“Port”). This MOU is entered into on the basis of the following facts, understandings, and intentions of the parties:

- A. In November 2003, San Francisco voters approved Proposition K, a half-cent local sales tax for transportation that is administered by the San Francisco County Transportation Authority (“SFCTA”).
- B. The Proposition K Expenditure Plan describes the types of projects that are eligible for funds, establishes limits on sales tax funding by Expenditure Plan line item, and sets expectations for leveraging of sales tax funds.
- C. Category nine of the voter-approved Expenditure Plan is for “Improvements to downtown ferry terminals to accommodate increases in ferry ridership. Included are additional intermodal connections, new ferry berths, improved emergency response systems, and landside improvements to serve increased passenger flows. Also included is rehabilitation of passenger-serving facilities. Includes project development and capital costs.” There are two eligible sponsoring agencies for projects in this category: the Port of San Francisco and the Golden Gate Bridge, Highway and Transportation District.
- D. The Proposition K Expenditure Plan requires that each programmatic category (including category nine for ferries) develop a 5-Year Prioritization Program (“5YPP”) prior to receiving Proposition K allocations.
- E. The 5YPP for category 9 for fiscal years 2014-15 through 2018-19 included \$1,100,000 for the Downtown Ferry Terminal – South Basin Improvements.
- F. On May 23, 2017 the SFCTA passed resolution 17-46 allocating \$1,100,000 to the Downtown Ferry Terminal – South Basin Improvements.
- G. WETA is delivering the Downtown Ferry Terminal – South Basin Improvements as part of its Downtown San Francisco Ferry Terminal Expansion Project (“Project”).
- H. WETA and the Federal Transit Administration (“FTA”) completed a Final Environmental Impact Statement/Environmental Impact Report (State Clearing House No. 2011032066, October 2014) that meets requirements of both the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) for environmental clearance of the Project.
- I. As the Proposition K project sponsor, the Port is responsible for ensuring that Proposition K funds are expended in accordance with the terms laid out in the Standard Grant Agreement dated _____ between SFCTA and the Port (“SGA”), a copy of which is attached hereto as Exhibit _.

- J. As the entity delivering the Project, WETA is responsible for complying with all provisions laid out in the SGA and seeking reimbursement of eligible expenses through the Port.
- K. The Port and WETA, through this MOU, wish to set forth the essential understandings, and agreements, as they relate to expenditure and administration of Proposition K grant funds for the Project in accordance with the SGA.

Now, therefore, it is agreed as follows:

1. By executing this MOU, the Port agrees to serve as the pass-through agent for WETA on the Proposition K grant funds for the Project. The Port will serve as the conduit for seeking reimbursement from SFCTA for eligible project expenses incurred by WETA.
2. The Port will have no obligation under this MOU or otherwise to reimburse WETA for any project expenses invoiced to Proposition K grant funds for which the SFCTA fails to make a reimbursement for any reason.
3. Both parties agree to the following breakdown of their roles, as it pertains to each major section of Section 2, Standard Terms and Conditions, of the SGA (numbers correspond to SGA sections):

SGA Section	WETA Responsible	Port Responsible	Notes
II	A	X	
	B	X	
	C	X	
	D	X	
	E	X	
	F	X	
	G	X	
	H	X	
	I	X	
III	A	X	
	B	X	WETA shall maintain all records. Port's record retention responsibility limited to maintaining documents it receives and reviews to facilitate reimbursements
	C	X	Please see section 5 and 6 below chart for procedure notes.
	D	X	
	E	X	
	F	X	
	G	X	If cost savings must be returned, WETA is responsible for returning funds to the Port who will then reimburse SFCTA.
IV	A-	X	

	B			
V	A	X	X	Port's role is limited to providing information on the materials it has reviewed to process reimbursement requests. WETA has lead responsibility on audits and will accommodate audit staff at its office, if needed.
	B	X	X	WETA will prepare all materials, including certified financial statement, and provide to the Port for review and transmissions to SFCTA.
	C	X	X	
	D	X	X	
VI	A	X	X	
VII	A	X	X	
	B	X	X	
	C	X	X	
VIII		X	X	
IX		X	X	
X		X	X	
XI		X	X	
XII		X	X	
XIII		X	X	
XIV		X	X	

4. Reimbursements will be sought on a quarterly basis in accordance with Section III.G of the SGA. Within two weeks after receipt of a complete reimbursement request package, the Port will transmit the request to SFCTA. The Port will reimburse WETA within two weeks of receipt of funds from SFCTA.
5. WETA agrees to provide the Port with reimbursement requests that include appropriate support documentation and identification of expenses incurred. The reimbursement package will include:
 - a. A cover page identifying the grant, the requested reimbursement amount, and the remaining grant balance;
 - b. A breakdown of the types of expenses incurred, the total for each type, and the proportion of expenses billed to Proposition K verses other fund sources;
 - c. A detailed summary of the non-labor expenses, summarized by vendor or contractor; and
 - d. Any other information reasonably requested by the Port or WETA.
6. WETA agrees to comply with the deliverables and special conditions described on the Transportation Authority Recommendation of the Proposition Allocation Request Form appended to the SGA.

WETA and the Port of San Francisco have entered into this Memorandum of Understanding as of the last date set forth below.

**San Francisco Bay Area Water
Emergency Transportation
Authority**

**City and County of San
Francisco, acting by and through
the San Francisco Port
Commission**

By: _____

Nina Rannells
Executive Director

Date: _____

Reviewed:

By: _____

Elaine Forbes
Executive Director

Date: _____

Reviewed:

**Dennis J. Herrera
City Attorney**

By: _____

Madeline Chun
Legal Counsel to WETA

By: _____

Eileen Malley
Deputy City Attorney

Attachment B

STANDARD GRANT AGREEMENT
Proposition K
Transportation Authority Project No. 109-913004
Resolution 17-46

SECTION 1
AGREEMENT

I. PURPOSE OF AGREEMENT

THIS AGREEMENT is entered into by and between the San Francisco County Transportation Authority (TRANSPORTATION AUTHORITY) and the City and County of San Francisco acting through its Port of San Francisco (RECIPIENT), to document the funding conditions necessary for the RECIPIENT of a TRANSPORTATION AUTHORITY funding allocation (GRANT) to comply with applicable law and TRANSPORTATION AUTHORITY policies as provided in the TRANSPORTATION AUTHORITY GRANT Resolution. This AGREEMENT consists of Sections 1 and 2 and all additional documents stated in these sections as being attached hereto and incorporated in the AGREEMENT by reference.

In consideration of the mutual covenants, promises, and representations herein, the parties hereto agree as follows:

II. PURPOSE OF GRANT

This GRANT, approved through Resolution 17-46 of the TRANSPORTATION AUTHORITY, in accordance with the requirements of the TRANSPORTATION AUTHORITY'S Proposition K Expenditure Plan and Strategic Plan, is made for the following purposes identified in the RECIPIENT'S Proposition K Sales Tax Program Allocation Request Form (Attachment):

Downtown Ferry Terminal - South Basin Improvements

III. PROJECT DEFINITION AND SCOPE

Subject to completion of any required environmental review, the RECIPIENT agrees to undertake and complete the project identified in the RECIPIENT'S Allocation Request Form (PROJECT) with all practicable dispatch, in a sound, economical, and efficient manner, and in accordance with all the provisions of Sections 1 and 2 hereof, and as described in the Scope section and any Special Conditions of the Proposition K Sales Tax Program Allocation Request Form, which are attached to this AGREEMENT, and made a part hereof. If RECIPIENT determines that it will no longer pursue the PROJECT, RECIPIENT will, with all practicable dispatch, provide the TRANSPORTATION AUTHORITY with an explanation and reason for ceasing pursuit of the PROJECT, and work with the TRANSPORTATION AUTHORITY to develop a plan to explain and justify as needed this change to members of the TRANSPORTATION AUTHORITY Board of Commissioners, and to establish a timeline for submitting a final reimbursement request, returning any unspent funds, and closing out the GRANT, consistent with the provisions in SECTION 2, below.

IV. GRANT

The TRANSPORTATION AUTHORITY hereby grants to the RECIPIENT the sum of **\$1,100,000** as designated in the GRANT Resolution cited below and included in this AGREEMENT by reference.

Res. No.	Date	Project #	Proposition K Funds Allocated	Proposition K Fund Expiration Date
17-46	5/23/2017	109-913004	\$1,100,000	12/31/2020

V. ACCEPTANCE OF GRANT

The RECIPIENT does hereby declare that all written statements, representations, covenants, and materials submitted as a condition of this AGREEMENT are true and correct and does hereby accept the TRANSPORTATION AUTHORITY'S GRANT and agrees to all of the terms and conditions of this AGREEMENT.

This AGREEMENT is effective as of the DATE OF EXECUTION as defined in SECTION 2, STANDARD TERMS AND CONDITIONS, DEFINITIONS, below.

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

By: _____
Tilly Chang, Executive Director

Date _____

RECIPIENT: City and County of San Francisco acting through its Port of San Francisco

By: _____
Elaine Forbes, Executive Director

Date _____

Approved As To Form (optional): Dennis J. Herrera, City Attorney

By: _____
Deputy City Attorney

**SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY
STANDARD GRANT AGREEMENT**

**SECTION 2
STANDARD TERMS AND CONDITIONS**

I. DEFINITIONS

As used in this AGREEMENT:

- A. AGREEMENT shall mean Sections 1 and 2 of this Standard Grant Agreement and all additional documents stated in these sections as being attached and incorporated by reference.
- B. TRANSPORTATION AUTHORITY shall mean the San Francisco County Transportation Authority.
- C. DATE OF EXECUTION shall mean the date when the TRANSPORTATION AUTHORITY'S Executive Director or his/her authorized designee signs this agreement.
- D. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM shall mean any DBE program adopted by RECIPIENT, or an equivalent program approved directly by the California Department of Transportation or accepted by the federal agency providing financial assistance, that is applicable to the PROJECT as determined by RECIPIENT.
- E. FISCAL YEAR shall mean the TRANSPORTATION AUTHORITY'S fiscal year from July 1 of a calendar year through June 30 of the next calendar year.
- F. FORCE ACCOUNT shall mean personnel costs incurred by the RECIPIENT directly associated with implementing the PROJECT.
- G. FUND EXPIRATION DATE shall mean the final date when eligible costs may be charged against a GRANT.
- H. GRANT shall mean the allocation of any Proposition K sales tax funds.
- I. LOCAL BUSINESS ENTERPRISE (LBE) PROGRAM shall mean any LBE program adopted by RECIPIENT that is applicable to the PROJECT as determined by RECIPIENT.
- J. LOCAL HIRING PROGRAM shall mean any local hiring ordinance adopted by RECIPIENT or another employment opportunity program developed by RECIPIENT that is applicable to the PROJECT as defined by RECIPIENT.
- K. EXPENDITURE PLAN shall mean the City and County of San Francisco Transportation Expenditure Plan administered by the TRANSPORTATION AUTHORITY and approved by the voters on November 4, 2003.
- L. PROJECT shall mean the scope of work set forth in the attached Proposition K Sales Tax Program Allocation Request Form. This scope of work is based on the applicable project description of a line item that is in the EXPENDITURE PLAN.
- M. PROPOSITION K REQUEST TABLE shall mean the current schedule of cash flows shown in the Proposition K Sales Tax Program Allocation Request Form–Cash Flow Distribution Schedule by FISCAL YEAR table.
- N. RECIPIENT shall mean SPONSORING AGENCY that receives a GRANT from the TRANSPORTATION AUTHORITY for the purpose of carrying out the PROJECT.
- O. SMALL BUSINESS ENTERPRISE (SBE) PROGRAM shall mean any SBE program adopted by RECIPIENT that is applicable to the PROJECT as determined by RECIPIENT.
- P. SPONSORING AGENCY shall mean the RECIPIENT shown on page 20 of 21 of the EXPENDITURE PLAN for the PROJECT.
- Q. STRATEGIC PLAN shall mean the long-range Strategic Plan adopted by the TRANSPORTATION AUTHORITY Board in place at the time of the allocation, which updates assumptions about level and availability of Proposition K revenues and sets policy on Proposition K expenditures, project budgets, cost eligibility, and expected cash flows.

II. GENERAL CONDITIONS

A. Cost Eligibility

Cost eligibility shall be determined by the TRANSPORTATION AUTHORITY'S Strategic Plan policies. All costs incurred by RECIPIENT prior to the DATE OF EXECUTION of this AGREEMENT shall be ineligible for reimbursement by the TRANSPORTATION AUTHORITY, except as follows:

1. Where the TRANSPORTATION AUTHORITY has previously approved the scope of a project and that scope has incurred increased costs; and
2. Capital costs of a multi-year project to which the TRANSPORTATION AUTHORITY has made a formal commitment in a resolution for out-year costs, although the funds have not been allocated.

While these costs shall be eligible for reimbursement in the situations cited above, the timing and amount of reimbursement will be subject to a TRANSPORTATION AUTHORITY allocation, based on available revenues, other anticipated project requests, and project category and subcategory limits established in the EXPENDITURE PLAN. Travel costs shall not exceed the per diem rates and allowances established by the U.S. General Services Administration when traveling within the United States, and U.S. Department of State when traveling outside the United States and applicable at the time of the travel. All costs incurred by RECIPIENT after the FUND EXPIRATION DATE shall be ineligible for reimbursement by the TRANSPORTATION AUTHORITY. Any waiver of cost eligibility policies must be included in the Proposition K Sales Tax Program Allocation Request Form as approved by the TRANSPORTATION AUTHORITY.

B. Non-Substitution of Funds

In accordance with Sections 131000 et seq. of the California Public Utilities Code under which the TRANSPORTATION AUTHORITY was created, a GRANT awarded to the RECIPIENT is intended to supplement existing local revenues being used for public transportation purposes and shall not replace funds previously provided by property tax revenues for public transportation purposes.

Any GRANT determined by the TRANSPORTATION AUTHORITY to replace existing local revenues shall be refunded by the RECIPIENT to the TRANSPORTATION AUTHORITY in a manner determined by the TRANSPORTATION AUTHORITY.

C. Compliance with Law

In the performance of its obligations pursuant to this AGREEMENT, the RECIPIENT shall keep itself fully informed of the federal, state and local laws, ordinances and regulations in any manner affecting the performance of this AGREEMENT, and shall at all times comply with such laws, ordinances, and regulations as they may be amended from time to time.

D. Budget and Scope

The RECIPIENT shall maintain a PROJECT budget. The RECIPIENT shall carry out the PROJECT and shall incur obligations against and make disbursements of the GRANT in conformity with the TRANSPORTATION AUTHORITY'S requirements and the budget. The PROJECT budget may be revised from time to time through the submission of a revised budget to the TRANSPORTATION AUTHORITY.

The RECIPIENT may not make any changes to the scope of the PROJECT without prior written approval of the TRANSPORTATION AUTHORITY. Approval by the TRANSPORTATION AUTHORITY of a change of scope shall not constitute an increase in the GRANT amount unless additional funds are specifically provided.

E. Third Party Contract Audits

The TRANSPORTATION AUTHORITY reserves the right to audit third party contracts for any reason. If the RECIPIENT is subject to third party financial audit requirements imposed by another funding source, copies of audits performed in fulfillment of such requirements shall be provided to the TRANSPORTATION AUTHORITY. If the RECIPIENT is an agency, department or other subdivision of the City and County of San Francisco, third party contracts include those contractual agreements entered into by the RECIPIENT and any other City and County of San Francisco entity.

F. Project Management

RECIPIENT shall be responsible for the PROJECT and provide management of consultant and contractor activities for which RECIPIENT contracts, including responsibility for schedule, scope, and budget, consistent with the TRANSPORTATION AUTHORITY'S resolution allocating the GRANT unless otherwise agreed upon in writing.

G. Project Oversight

The RECIPIENT shall fully cooperate with the TRANSPORTATION AUTHORITY'S project oversight team and shall promptly provide any requested PROJECT information.

H. Attribution and Signage

RECIPIENT shall demonstrate compliance with the TRANSPORTATION AUTHORITY'S attribution and signage requirements as a mandatory condition for authorization of Proposition K reimbursement for project expenses. RECIPIENT shall submit a request for approval from the TRANSPORTATION AUTHORITY for any deviation from the specified attribution and signage described below. Exceptions may be made at the sole discretion of the TRANSPORTATION AUTHORITY.

All press releases, project fact sheets, websites, and communication materials produced about the PROJECT following receipt of the GRANT, whether the production of those materials are funded by Proposition K or not, shall include the following statement:

This project was made possible in part by Proposition K Sales Tax dollars provided by the San Francisco County Transportation Authority.

1. Required Format for Attribution and Acknowledgement of TRANSPORTATION AUTHORITY Funding for Construction Capital Projects.

If any portion of GRANT funds are used for a Construction Capital Project, the RECIPIENT shall, upon initiation of field work or at the earliest feasible time thereafter, install and maintain a sign at the construction site identifying Proposition K Local Transportation Sales Tax Funds and the TRANSPORTATION AUTHORITY as a funding source, in accordance with the standard format herein. For construction projects, RECIPIENT shall, within 30 days of the date of initiation of fieldwork, submit to the TRANSPORTATION AUTHORITY as a high-resolution JPEG or TIFF file, a

photograph documenting compliance with the Proposition K attribution and format requirements herein contained.

For a construction project undertaken with partial or complete funding from Proposition K for the Construction phase, RECIPIENT shall install and maintain a sign displaying the following items:

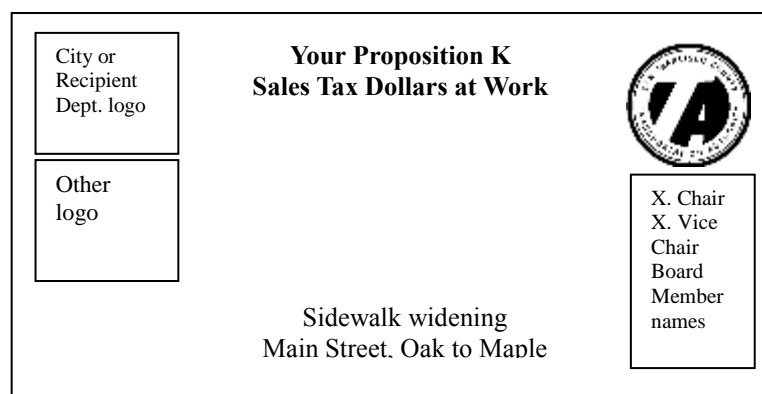
- a. The official TRANSPORTATION AUTHORITY seal, provided to RECIPIENT in digital format at the time of execution of this AGREEMENT, placed on the upper or lower right hand corner of the sign, and sized 8 inches across or at the same size as the RECIPIENT's own seal or official logo appearing on the sign, whichever is larger.
- b. The following text:

***Your Proposition K
Sales Tax Dollars at Work***

centered horizontally across the top or across the bottom of the sign, such that the TRANSPORTATION AUTHORITY logo appears immediately to the right of the text, and displayed in 2-inch tall, or the same size as the text acknowledging RECIPIENT, if larger, Times Roman or comparable font. See example in Figure 1.

- c. A listing of current members of the TRANSPORTATION AUTHORITY Board of Commissioners, starting with Chair and Vice Chair, followed by Board members names listed in alphabetical order, centered vertically against the right margin of the sign. See Example in Figure 1.

Figure 1
Example of Construction Sign



2. Required Format for Attribution and Acknowledgement of TRANSPORTATION AUTHORITY Funding for Prior Phases during the Construction phase.

For a project for which Proposition K funding was used for any prior phase (i.e., Planning/Preliminary Engineering, Environmental, Right of Way, Plans, Specifications and Estimates, and Procurement), but not for the Construction phase, RECIPIENT shall install and maintain a sign during construction displaying the following items:

- a. The official TRANSPORTATION AUTHORITY seal, placed on the upper or lower right hand corner of the sign, and sized 8 inches across or at the same size as the RECIPIENT's own seal or official logo appearing on the sign, whichever is larger.

- b. The following text:

This Project was made possible in part by Proposition K Local Transportation Sales Tax Funds.

centered horizontally across the top or across the bottom of the sign, such that the TRANSPORTATION AUTHORITY logo appears immediately to the right of the text. See example in Figure 2.

Figure 2

Example of Proposition K Attribution on Construction Sign

This Project was made possible in part by Proposition K
Local Transportation Sales Tax Funds



3. Required Format for Attribution and Acknowledgement of TRANSPORTATION AUTHORITY Funding for Non-Construction Capital Projects.

For non-construction capital purchases funded by any portion of GRANT funds, RECIPIENT shall affix permanent signage identifying the TRANSPORTATION AUTHORITY and the Sales Tax Funds as a funding source according to the standard format. All capital purchases, including, but not limited to transit fleet and non-revenue fleet vehicles and maintenance vehicles, partially or entirely funded by Proposition K shall bear permanent signage as follows:

- a. For vehicles (revenue and non-revenue):

A decal or painted version of the TRANSPORTATION AUTHORITY'S official seal, 5 inches across. Non-revenue vehicles shall display the seal on either side or on the rear of the vehicle, at least 6 inches in from the perimeter of the surface where it is displayed. Transit and paratransit vehicles shall display the TRANSPORTATION AUTHORITY'S seal prominently inside the vehicle, either on the rear-facing driver privacy panel, or on a wall or ceiling graphic display panel. The seal shall be displayed including the following text, centered under the seal: *Paid for by Your Prop K Sales Tax*, in two rows, as illustrated below:



***Paid for by Your
Prop K Sales Tax***

4. Required Format for Attribution and Acknowledgement of TRANSPORTATION AUTHORITY Funding of Studies and Reports

If any portion of GRANT funds is used for production of studies and reports, acknowledgment of the TRANSPORTATION AUTHORITY'S role shall be included in the documents. All reports prepared with funding from Proposition K shall bear the appropriate framed imprint on the back of the title page, right justified and printed in 12-point font. The Official TRANSPORTATION AUTHORITY seal, provided to RECIPIENT in digital format at the time of execution of the AGREEMENT, and sized

at 1 inch across, as shown below, shall be placed immediately to the right of the text frame bearing the attribution imprint.

- a. For reports entirely funded through Proposition K:

Preparation of this report was made possible by the
San Francisco County Transportation Authority through a
grant of Proposition K Local Transportation Sales Tax
funds.



- b. For reports and studies partially funded through Proposition K:

Preparation of this report was made possible in part by the
San Francisco County Transportation Authority through a
grant of Proposition K Local Transportation Sales Tax
funds.



5. Required Format for Attribution and Acknowledgement of TRANSPORTATION AUTHORITY Funding of Flyers, Brochures, Posters, Websites and Other Similar Materials.

All flyers, brochures, posters, websites and other similar materials prepared with Proposition K funding shall include the TRANSPORTATION AUTHORITY'S logo and the following statement:

This project is made possible by the San Francisco County Transportation Authority through a grant of Proposition K Local Transportation Sales Tax Funds.

The logo should be grouped with any other participating agency. The logo and attribution shall be readily visibly and distinguishable from a normal viewing distance for the item being produced. One copy of all such materials shall be delivered to the TRANSPORTATION AUTHORITY for archival purposes.

I. Environmental Compliance

The RECIPIENT shall undertake all environmental mitigation measures that may be identified as commitments in applicable documents (such as environmental assessments, environmental impact statements, findings and reports, and memoranda of agreement), and comply with any conditions and mitigation required or imposed as a part of a finding of no significant impact or a record of decision. All such mitigation measures are incorporated in this AGREEMENT by reference. Approval of this GRANT does not constitute approval of the PROJECT for California Environmental Quality Act (CEQA) purposes.

The following is applicable when RECIPIENT is the San Francisco Municipal Transportation Agency:

Prior to approval of the PROJECT for construction, the San Francisco Municipal Transportation Agency will conduct review under the CEQA. The San Francisco Municipal Transportation Agency shall not proceed with the approval of the PROJECT for construction until there has

been complete compliance with CEQA. Prior to billing for any construction funds, if requested by the TRANSPORTATION AUTHORITY, the San Francisco Municipal Transportation Agency will provide the TRANSPORTATION AUTHORITY with documentation confirming that CEQA review has been completed.

III. FINANCES

A. Documentation of Project Costs

All costs charged to the PROJECT, including any approved FORCE ACCOUNT services performed by the RECIPIENT, shall be supported by properly prepared and documented time records, invoices, or vouchers evidencing in detail the nature and propriety of the charges and the basis for the percentage charged to the TRANSPORTATION AUTHORITY.

B. Records

All checks, payrolls, invoices, contracts, vouchers, journal entries, work orders, and other accounting documents pertaining in whole or in part to the PROJECT shall be maintained by the RECIPIENT for a period of five (5) years after the later of PROJECT closeout or termination of GRANT. Such PROJECT documents shall be clearly identified, readily accessible, and, to the extent feasible, kept separate and apart from all other similar documents not pertaining to the PROJECT.

C. Reimbursements

Payment shall be made to the RECIPIENT for costs reimbursable under the terms of this AGREEMENT and incurred prior to the termination date of this AGREEMENT. Payment to RECIPIENT of the GRANT shall be upon written approval by the TRANSPORTATION AUTHORITY, upon submittal by the RECIPIENT of appropriate support documentation and identification of expenses incurred. Reimbursement shall be made on a quarterly basis. The TRANSPORTATION AUTHORITY, in consultation with the RECIPIENT, may provide an alternate reimbursement schedule or quarterly calendar to the RECIPIENT. However, RECIPIENT shall submit fourth (4th) quarter reimbursement requests or an expenditure accrual schedule in time to meet the TRANSPORTATION AUTHORITY'S Fiscal Year closing process. Except for the GRANT closeout or end of FISCAL YEAR billing, the minimum reimbursement request amount shall be \$5,000. In the case of GRANT closeout, the TRANSPORTATION AUTHORITY reserves the right to retain up to \$5,000 or 10% of the GRANT amount, whichever is less, until all project requirements, including special conditions and deliverables, have been met, and closeout documentation, including proof of attribution and project completion, have been submitted and accepted.

Reimbursements shall not exceed the schedule shown in the PROPOSITION K REQUEST TABLE. RECIPIENT may make a request for exceptions in writing. Exceptions may be made at the sole discretion of the TRANSPORTATION AUTHORITY.

D. Interest Expense

1. RECIPIENT acknowledges that the TRANSPORTATION AUTHORITY may have to issue debt to honor reimbursement requests, including, but not limited to, the planned reimbursement requests shown in the current PROPOSITION K REQUEST TABLE. If, as of the date of a reimbursement, the sum of the reimbursements for an Expenditure Plan line item exceeds such Expenditure Plan line item's cumulative pro-rata shares of Proposition K revenues as such revenues and pro-rations are shown in the current adopted

Proposition K Strategic Plan, and the TRANSPORTATION AUTHORITY issues debt to satisfy its reimbursement obligations to RECIPIENT or any other recipient of Proposition K revenues, then such Expenditure Plan line item shall be responsible for and allocated its pro-rata share of the costs and expenses of such debt, including all interest expense, fees, and other costs of issuance (collectively, "Debt Expenses"). Actual Debt Expenses shall be reported at the end of the FISCAL YEAR in which the reimbursement occurs, and such Debt Expenses will be charged against applicable Expenditure Plan line item reimbursement limits.

2. The TRANSPORTATION AUTHORITY may request updated PROPOSITION K REQUEST TABLES, and RECIPIENT shall respond to any such request within ten (10) business days. Changes in the PROPOSITION K REQUEST TABLE require approval by the TRANSPORTATION AUTHORITY. The most recently approved PROPOSITION K REQUEST TABLE will be the basis for determining Debt Expenses and reimbursement request limits.
3. Notwithstanding anything to the contrary within this Section III.D., in the event that the TRANSPORTATION AUTHORITY specifically issues debt on behalf of RECIPIENT's specific project, any Debt Expenses related to such debt will be directly allocated and charged against the applicable Expenditure Plan line item and not pro-rated as set forth in Section III.D.1.
4. Notwithstanding anything to the contrary within this Section III.D.1, in the event that this GRANT funds one of the four projects grandfathered from the Prop B Expenditure Plan, no finance costs will be assigned to the project. These four projects are the Third Street Light Rail Project, the New Central Subway Project, the Illinois Street Bridge Project and the Bernal Heights Project.

E. Proportional Expenditure of GRANT

If this GRANT leverages non-Prop K funds, the RECIPIENT shall not expend this GRANT at a rate greater than the percentage Proposition K fund share as listed in the Proposition K Sales Tax Program Allocation Request Form unless written approval by the TRANSPORTATION AUTHORITY is obtained to allow GRANT expenditure for a different percentage.

F. Proceeds from Sale of Equipment or Vehicles Purchased with GRANT

If RECIPIENT uses any portion of the GRANT to purchase equipment or vehicles, and later sells the equipment or vehicles, RECIPIENT shall return to the TRANSPORTATION AUTHORITY a portion of the proceeds from the sale of such assets. RECIPIENT shall return to the TRANSPORTATION AUTHORITY that proportion of the net sales proceeds that is equal to the percentage of the original purchase price that consisted of GRANT funds. The TRANSPORTATION AUTHORITY will program any returned funds in accordance with Strategic Plan policies.

G. Return of Project Cost Savings

If the actual costs of the PROJECT are less than the amount budgeted or the amount advanced by the TRANSPORTATION AUTHORITY, RECIPIENT shall return to the TRANSPORTATION AUTHORITY that proportion of the project cost savings that is equal to the percentage of the original project budget that consisted of Prop K grant funds. The

TRANSPORTATION AUTHORITY will program any returned funds in accordance with Strategic Plan policies.

IV. REPORTING

A. Progress Reports

As a condition for reimbursement, RECIPIENT shall submit quarterly progress reports through the TRANSPORTATION AUTHORITY'S online grants portal. RECIPIENT must submit a progress report for each grant regardless of progress made during the reporting period. The TRANSPORTATION AUTHORITY may, at its discretion, allow sponsors to submit one quarterly progress report covering multiple Proposition K grants for the same project.

RECIPIENT shall submit progress reports no later than April 15, July 15, October 15, and January 15. The TRANSPORTATION AUTHORITY in consultation with RECIPIENT may agree to an alternate reporting schedule for the RECIPIENT.

Progress reports shall address the current scope, schedule, cost and status of the project as listed in the Allocation Request Form or as listed in approved amendments; percent complete of the project's scope; and verification of compliance with the TRANSPORTATION AUTHORITY'S signage and attribution requirements.

B. Annual Reports

RECIPIENT shall submit no later than December 15 of each year a project update for potential inclusion in the TRANSPORTATION AUTHORITY Annual Report, in a format to be provided by the TRANSPORTATION AUTHORITY. This update shall include at least the following information: project sponsor, project contact, project description, project status including percent complete, expenditures, including SBE, DBE and LBE PROGRAM utilization to date and project goals, LOCAL HIRING PROGRAM utilization to date, and photos and other presentation quality materials. RECIPIENT shall limit this presentation to one page for all items except photos and one page for multiple photos. TRANSPORTATION AUTHORITY reserves the right to request hard copies of these reports.

V. AUDITS AND CLOSEOUT PROCEDURES

A. Ongoing

The TRANSPORTATION AUTHORITY reserves the right at any time to conduct or require a financial or performance audit of the RECIPIENT'S compliance with this AGREEMENT. The TRANSPORTATION AUTHORITY will give advance notice of the requirement. The RECIPIENT shall permit the TRANSPORTATION AUTHORITY, or any of its duly authorized representatives, to inspect all work, materials, payrolls, and other data and records with regard to the PROJECT, and to audit the books, records, and accounts of the RECIPIENT and its contractors with regard to the PROJECT.

B. Closeout

PROJECT closeout occurs either when the TRANSPORTATION AUTHORITY notifies the RECIPIENT through the online grants portal, or when the RECIPIENT'S remittance of the proper refund has been acknowledged by the TRANSPORTATION AUTHORITY. Within ninety (90) days of the PROJECT completion date or termination by the TRANSPORTATION

AUTHORITY, whichever comes first the RECIPIENT shall submit a certified financial statement identifying all excess funds or ineligible expenditures, which the RECIPIENT shall be required to refund, as well as third party audit reports, as applicable, or provide a schedule and justification for an alternate closeout date. PROJECT closeout shall not terminate any continuing obligations imposed on the RECIPIENT by this AGREEMENT. For multi-year AGREEMENTS, the TRANSPORTATION AUTHORITY may request closeout of a portion of a PROJECT as it is completed. Final reimbursement will be in accordance with TRANSPORTATION AUTHORITY policies and procedures.

RECIPIENT shall provide to the TRANSPORTATION AUTHORITY the following information at project closeout

1. Final Expenditure Report

This report shall consist of the total expenditures by funding source for the approved scope of work. The RECIPIENT shall provide supporting documentation for expenditures and revenues from its accounting and financial management system.

RECIPIENT shall certify that the amounts sought are only for project elements included in the Proposition K Sales Tax Program Allocation Request Form.

2. SBE, DBE, LBE and LOCAL HIRING PROGRAMS Utilization Report

This report shall include a breakdown of work performed by RECIPIENT forces and the work that has been contracted out, including a breakdown of work contracted out to SBE, DBE, LBE and/or local residents, which includes the contract and project goals and utilization to date in terms of percents and dollar amounts as applicable.

3. Final Project Update

The RECIPIENT shall provide a final project update in the format that is specified for the TRANSPORTATION AUTHORITY'S Annual Report in Section IV. A. of this AGREEMENT.

These project closeout documents shall be submitted under the signature of staff authorized to execute the AGREEMENT.

Release of the final reimbursement request or allocation of additional grants shall be subject to fulfillment of required closeout materials. The TRANSPORTATION AUTHORITY reserves the right to retain up to \$5,000 or 10% of the GRANT, whichever is less, until all closeout documentation, including proof of attribution and project completion, have been submitted and accepted.

C. Rescission of Authorization of Funds

The TRANSPORTATION AUTHORITY reserves the right to rescind its authorization of unneeded GRANT funds prior to, or at the time of, PROJECT closeout. Funds are determined to be unneeded if they are uncommitted at time of project closeout.

D. Repayment of Ineligible Costs

The TRANSPORTATION AUTHORITY reserves the right to offset RECIPIENT payback of ineligible costs against future GRANT approvals for this PROJECT or other projects in the

EXPENDITURE PLAN for which RECIPIENT is the SPONSORING AGENCY.

VI. LIABILITY

A. Indemnification

RECIPIENT agrees to defend, indemnify and hold harmless the TRANSPORTATION AUTHORITY, its officers, employees and agents, from any and all acts, claims, omissions, liabilities and losses asserted by any third party arising out of acts or omissions of RECIPIENT in connection with this AGREEMENT, except those arising by reason of the sole negligence of the TRANSPORTATION AUTHORITY, its officers, employees and agents.

TRANSPORTATION AUTHORITY agrees to defend, indemnify and hold harmless the RECIPIENT, its officers, employees and agents, from any and all acts, claims, omissions, liabilities and losses asserted by any third party arising out of acts or omissions of TRANSPORTATION AUTHORITY in its obligations under this AGREEMENT, except those arising by reason of the sole negligence of the RECIPIENT, its officers, employees and agents.

In the event of concurrent negligence of RECIPIENT and TRANSPORTATION AUTHORITY, the liability for any and all claims for injuries or damages to persons and/or property shall be apportioned under the California theory of comparative negligence as presently established or as may hereafter be modified.

VII. DEFAULT

A. Termination for Cause

The RECIPIENT agrees that, upon ten (10) working days written notice, the TRANSPORTATION AUTHORITY may suspend or terminate all or part of the financial assistance provided herein for failure to correct a breach of this AGREEMENT. Any failure to make reasonable progress, inconsistency with the EXPENDITURE PLAN or Proposition K Sales Tax Program Allocation Request Form, unauthorized use of GRANT funds as specified in this AGREEMENT, or other violation of the AGREEMENT that significantly endangers substantial performance of the PROJECT shall be deemed to be a breach of this AGREEMENT and cause for termination.

B. Correction of Breach

With respect to any breach, which is reasonably capable of being cured, the RECIPIENT shall have thirty (30) days from the date of notice of breach to initiate steps to cure. If the RECIPIENT diligently pursues cure, such RECIPIENT shall be allowed a reasonable time to cure, not to exceed sixty (60) days from the date of the initial notice, unless a further extension is granted in writing by the TRANSPORTATION AUTHORITY.

C. Obligations

In general, termination of financial assistance under this AGREEMENT will not invalidate obligations properly incurred by the RECIPIENT before the termination date, to the extent those obligations cannot be canceled.

VIII. INTEGRATION

This AGREEMENT represents the entire AGREEMENT of the parties with respect to the subject matter thereof. No representations, warranties, inducements or oral agreements have been made by any of the

parties except as expressly set forth herein, or in other contemporaneous written agreements.

IX. AMENDMENT

Except as otherwise provided herein, this AGREEMENT may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this AGREEMENT shall be void and of no effect.

X. INDEPENDENT AGENCY

RECIPIENT performs the terms and conditions of this AGREEMENT as an entity independent of the TRANSPORTATION AUTHORITY. None of the RECIPIENT'S agents or employees shall be agents or employees of the TRANSPORTATION AUTHORITY.

XI. ASSIGNMENT

The AGREEMENT may not be assigned, transferred, hypothecated, or pledged by any party without the express written consent of the other party.

XII. BINDING ON SUCCESSORS, ASSIGNEES OR TRANSFEREES

This AGREEMENT shall be binding upon the successor(s), assignee(s) or transferee(s) of the TRANSPORTATION AUTHORITY or the RECIPIENT as may be the case. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this AGREEMENT other than as provided above.

XIII. EXPENSES

Each party shall be solely responsible for and shall bear all of its own respective legal expenses in connection with any dispute arising out of this AGREEMENT and the transactions hereby contemplated. RECIPIENT may not use GRANT funds, or other TRANSPORTATION AUTHORITY programmed funds for the aforementioned purpose.

XIV. SEVERABILITY

Should any part of this AGREEMENT be declared unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decisions shall not affect the validity of the remainder of this AGREEMENT, which shall continue in full force and effect provided that the remainder of this AGREEMENT can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

Attachment: Proposition K Sales Tax Program Allocation Request Form, attached and incorporated by this reference.

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

FY of Allocation Action: 2016/17

Project Name: Downtown Ferry Terminal - South Basin Improvements

Grant Recipient: Port of San Francisco

EXPENDITURE PLAN INFORMATION

Prop K EP category: Ferry: (EP-9)

Prop K EP Line Number (Primary): 9

Current Prop K Request: \$ 1,100,000

Prop K Other EP Line Numbers:

Prop AA Category:

Current Prop AA Request: \$ -

Supervisory District(s): District 03

REQUEST

Brief Project Description (type below)

The South Basin Improvements will expand berthing capacity by up to 67% at the Downtown Ferry Terminal to support new and existing ferry services to San Francisco. The project also includes landside improvements needed to accommodate expected increases in ridership as new services from Treasure Island, Richmond, and other locations begin operation. Project will also support improved emergency response capabilities.

Detailed Scope, Project Benefits and Community Outreach (type below)

This project includes the construction of two new ferry gates and new passenger waiting and queuing areas, as well as the demolition, removal, repair, and replacement of existing substandard facilities. The additional berthing and passenger circulation capacity is required to support future ferry services to the Downtown Ferry Terminal, including new services from Treasure Island, Richmond, and other locations currently under study. Additionally, the new facilities will enhance the Port of San Francisco (Port) and the San Francisco Bay Area Water Emergency Transportation's (WETA) ability to provide water transit services in the event of an emergency.

The Port and WETA conducted extensive early stakeholder outreach prior to and during planning/conceptual engineering work for the project, including interviews and meetings with local neighborhood groups, advocacy organization, interested individuals, Port Advisory Groups, and ferry riders.

See attached scope description for additional details.

Project Location (type below)

Downtown Ferry Terminal

Project Phase (select dropdown below)

Construction (CON)

Downtown Ferry Terminal Expansion - South Basin Improvements On-Site Construction

Background

The Downtown San Francisco Ferry Terminal currently accommodates six ferry routes serving more than 10,000 passengers with approximately 130 ferry arrivals and departures daily. In 2003 the Port of San Francisco completed the first phase of the Downtown Ferry Terminal Expansion project, including construction of Gates B and E, which today support the Alameda/Oakland, Alameda Harbor Bay, Vallejo, and Tiburon ferry services.

The South Basin Improvements project is the second phase of the expansion project and will construct additional ferry gates, improve pedestrian circulation and ferry patron boarding, enhance emergency response capabilities, and accommodate anticipated increases in ferry ridership as new ferry services from downtown San Francisco to Richmond, Treasure Island, and other routes currently under study are introduced.

Near-term expansion plans:

- 2018: *Richmond Ferry Service*
- 2020: *A third terminal in Alameda, at Seaplane Lagoon*
- 2022: *Treasure Island Ferry Service*

In late 2010, prior to the environmental review process, Port and Water Emergency Transportation Authority (WETA) staff conducted a series of stakeholder interviews to inform interested parties about the Downtown Ferry Terminal Expansion project. Key project stakeholders included Port tenants with long-term leasehold interests, located within the Ferry Building Area. Transportation agencies that are tenants in the Ferry Building area were also consulted, including the Bay Area Rapid Transit District (BART), Golden Gate Ferry and Amtrak. In addition, the team met with regulatory agencies such as the Bay Conservation and Development Commission (BCDC) and the State Historic Preservation Officer (SHPO) to get early input and direction. Input obtained from these interviews was documented and considered in the development of the preliminary project design.

During environmental review, completed in late 2014, federal, state and local agencies with jurisdiction over resources that could be affected by the project, or that have technical expertise on an issue relevant to the project, were formally invited to participate. Agencies that participated included: National Oceanic and Atmospheric Administration (NOAA), National Marine Fisheries Service (NMFS), U.S. Army Corps of Engineers, U.S. Coast Guard, U.S. Environmental Protection Agency, U.S. Fish and Wildlife Service, California State Lands Commission, BCDC, Bay Area Air Quality Management District, and BART. In addition, Port and WETA staff worked closely with the San Francisco Planning Department and the San Francisco Municipal Transportation Agency (SFMTA) on the transportation circulation analysis.

The Port and WETA have continued outreach efforts to involve stakeholders throughout development of the projects. Staff has presented updates on the project to several organizations, including the Port's Northeastern Waterfront Advisory Group, Maritime Commerce Advisory Committee and Waterfront Design Advisory Committee, the San Francisco Historical Preservation Commission and the BCDC Design Review Board.

Regular project updates are posted to both the Port's website (<http://sfport.com/downtown-ferry-terminal-expansion>) and WETA's website (<http://sanfranciscobayferry.com/weta/downtown-sf-terminal-expansion-project>).

Downtown Ferry Terminal Expansion - South Basin Improvements On-Site Construction

South Basin Improvements Scope

The construction phase scope will include:

Early Construction Work: (not part of subject request)

- Demolition and removal of Pier 2
- Pile driving
- Dredging for 2 new ferry gates

On-Site Construction: (subject request)

- Construction of Gates F and G
- Reconstruction of existing ferry Gate E
- Construction of new access deck
- Floats, gangways, and portal entrances
- Architectural finishes:
 - Granite pavers, access gates, canopy structure gate, guardrails, etc.
- Installation of passenger amenities:
 - Weather protection canopies
 - seating
 - landscaping
 - signage
- Installation of utilities
 - Electrical for lighting, power and communications
 - Water for fire protection and wash-down and ballasting
- South apron improvements
 - Install stairs and access ramp
 - Resurfacing
 - Install guardrail and lighting
- Mitigation measures for off-site impacts identified during environmental review
 - Modify the intersection signal timing for the Embarcadero mid-block crossing at the Ferry Building Southbound and Northbound to allow for longer pedestrian crossing times.
 - Widen the pedestrian crosswalk at the Embarcadero and Market Street Southbound from the current 42 feet to a minimum of 72 feet.

Implementation

Project construction is being awarded in two phases:

Early Construction Work – demolition, pile driving and dredging

Design is complete. The construction contract was awarded and Notice to Proceed was issued in January 2017.

On-Site Construction – construction of additional berthing and passenger circulation capacity

Design for will be completed during construction of Phase 1. Contract amendment to incorporate Phase 2 anticipated in June 2017 and Notice to Proceed in July 2017.

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

Project Name: Downtown Ferry Terminal - South Basin Improvements

ENVIRONMENTAL CLEARANCE

Environmental Type: EIR/EIS

PROJECT DELIVERY MILESTONES

Enter dates below for ALL project phases, not just for the current request, based on the best information available. For PLANNING requests, please only enter the schedule information for the PLANNING phase.

Phase	Start		End	
	Quarter	Calendar Year	Quarter	Calendar Year
Planning/Conceptual Engineering (PLAN)	Jul-Sep	2010	Apr-Jun	2012
Environmental Studies (PA&ED)	Jul-Sep	2012	Oct-Dec	2014
Right-of-Way				
Design Engineering (PS&E)	Oct-Dec	2014	Jul-Sep	2017
Advertise Construction	Oct-Dec	2016		
Start Construction (e.g. Award Contract)	Jan-Mar	2017		
Operations (i.e., paratransit)				
Open for Use			Oct-Dec	2019
Project Completion (means last eligible expenditure)			Oct-Dec	2019

SCHEDULE DETAILS

Provide dates for any COMMUNITY OUTREACH planned during the requested phase(s). Identify PROJECT COORDINATION with other projects in the area (e.g. paving, MUNI Forward) and relevant milestone dates (e.g. design needs to be done by DATE to meet paving schedule). List any timely use-of-funds deadlines (e.g. federal obligation deadline). If a project is comprised of MULTIPLE SUB-PROJECTS, provide milestones for each sub-project. For PLANNING EFFORTS, provide start/end dates for each task.

This project will be constructed in two phases: Phase 1 - Early Construction and Phase 2 - On-Site Construction.

January 2017: Phase 1 contract award and NTP issued.

May 2017: Expected completion of Phase 1.

June 2017: Contract amendment for Phase 2.

July 2017: Issue NTP for Phase 2.

Late 2019: Project completion.

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

Project Name: Downtown Ferry Terminal - South Basin Improvements

FUNDING PLAN - FOR CURRENT REQUEST

Enter the funding plan for the phase(s) that are the subject of the CURRENT REQUEST. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ -	\$ 1,100,000	\$ -	\$ 1,100,000
Prop AA	\$ -	\$ -	\$ -	\$ -
Regional Measure 2	\$ -	\$ -	\$ 20,096,000	\$ 20,096,000
California Transit Grant Program - Regional Public Waterborne Transit	\$ -	\$ -	\$ 46,911,000	\$ 46,911,000
FTA Passenger Ferry Grant Program Funds	\$ -	\$ -	\$ 4,000,000	\$ 4,000,000
FHWA - Ferry Boat Formula Program Funds			\$ 908,000	\$ 908,000
	\$ -	\$ -	\$ -	\$ -
Total:	\$ -	\$ 1,100,000	\$ 71,915,000	\$ 73,015,000

FUNDING PLAN - FOR ENTIRE PROJECT (ALL PHASES)

Enter the funding plan for all phases (planning through construction) of the project. This section may be left blank if the current request covers all project phases. Totals should match those shown in the Cost Summary below.

Fund Source	Planned	Programmed	Allocated	Total
Prop K	\$ -	\$ 1,100,000	\$ -	\$ 1,100,000
Prop AA	\$ -	\$ -	\$ -	\$ -
Regional Measure 2	\$ -	\$ -	\$ 21,969,000	\$ 21,969,000
California Transit Grant Program - Regional Public Waterborne Transit	\$ -	\$ -	\$ 49,103,000	\$ 49,103,000
FTA Passenger Ferry Grant Program Funds	\$ -	\$ -	\$ 4,000,000	\$ 4,000,000
Federal Transit Capital Investment Grant	\$ -	\$ -	\$ 2,500,000	\$ 2,500,000
FHWA - Ferry Boat Formula Program Funds	\$ -	\$ -	\$ 908,000	\$ 908,000
Total:	\$ -	\$ 1,100,000	\$ 78,480,000	\$ 79,580,000

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

COST SUMMARY

Show total cost for ALL project phases (in year of expenditure dollars) based on best available information. Source of cost estimate (e.g. 35% design, vendor quote) is intended to help gauge the quality of the cost estimate, which should improve in reliability the farther along a project is in its development.

Phase	Total Cost	Prop K - Current Request	Prop AA - Current Request	Source of Cost Estimate
Planning/Conceptual Engineering (PLAN)	\$ -	\$ -		
Environmental Studies (PA&ED)	\$ 2,820,000	\$ -		based on actual cost
Right-of-Way	\$ -	\$ -		
Design Engineering (PS&E)	\$ 3,745,000	\$ -	\$ -	based on actual cost
Construction (CON)	\$ 73,015,000	\$ 1,100,000	\$ -	based on most recent engineer's estimate and the award of Early Construction Work.
Operations (Paratransit)	\$ -	\$ -		
Total:	\$ 79,580,000	\$ 1,100,000	\$ -	

% Complete of Design: as of
 Expected Useful Life: Years

PROPOSED REIMBURSEMENT SCHEDULE FOR CURRENT REQUEST (Instructions as noted below)

Use the table below to enter the proposed reimbursement schedule for the current request. Prop K and Prop AA policy assume these funds will not be reimbursed at a rate greater than their proportional share of the funding plan for the relevant phase unless justification is provided for a more aggressive reimbursement rate. If the current request is for multiple phases, please provide separate reimbursement schedules by phase. If the proposed schedule exceeds the years available, please attach a file with the requested information.

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K	\$ -	\$ 1,100,000	\$ -	\$ -	\$ -	\$ 1,100,000
Prop AA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form
Project Name: Downtown Ferry Terminal - South Basin Improvements

MAJOR LINE ITEM BUDGET

PROJECT BUDGET - CONSTRUCTION

SUMMARY BY MAJOR LINE ITEM (BY AGENCY LABOR BY TASK)					
Budget Line Item	Totals	% of contract	WETA		Contractor
1. Contract					
Task 1: Early Construction (not eligible for subject request)	\$ 13,173,750				\$ 13,173,750
Task 2: On-Site Construction	\$ 42,743,210				\$ 42,743,210
Mitigation Allowance *	\$ 3,270,000			\$ -	\$ 3,270,000
Contract Subtotal	\$ 59,186,960				\$ 59,186,960
2. Construction Management/Support	\$ 3,300,000	5%	\$ 1,318,000		\$ 4,618,000
3. Other Direct Costs **	\$ 2,500,000				\$ 2,500,000
4. Contingency	\$ 6,710,040	12%			\$ 6,710,040
TOTAL CONSTRUCTION PHASE	\$ 71,697,000		\$ 1,318,000	\$ -	\$ 73,015,000

* Includes allowances for off-site transportation mitigation measures that WETA has committed to implement in the project EIR/EIS.

** Includes permit fees; peer review, legal and other consultant services, rental of project office, and other project expenses.

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

TRANSPORTATION AUTHORITY RECOMMENDATION

This section is to be completed by Transportation Authority Staff.

Last Updated: 4/19/2017 **Res. No:** 2017-046 **Res. Date:** 5/23/2017

Project Name: Downtown Ferry Terminal - South Basin Improvements

Grant Recipient: Port of San Francisco

Funding Recommended:	Action	Amount	Phase
	Prop K Allocation	\$ 1,100,000	Construction (CON)
	Total:	\$ 1,100,000	

Total Prop K Funds: \$ 1,100,000

Total Prop AA Funds: \$ -

Justification for multi-phase recommendations and notes for multi-sponsor recommendations:

Fund Expiration Date: 12/31/2020 **Eligible expenses must be incurred prior to this date.**

Intended Future Action	Action	Amount	Fiscal Year	Phase
	Trigger: <div></div>			

Deliverables:

- Over the course of the project quarterly progress reports should include 2-3 digital photos of work in progress and/or of completed work.
-

Special Conditions:

- The Port of San Francisco may not incur expenses for the construction phase until Transportation Authority staff releases the funds (\$1,100,000) pending receipt of evidence of completion of design (e.g. copy of certifications page).
-
-

Notes:

- As a reminder, construction signs and any press releases, project fact sheets, and other communication materials produced about the project must include Prop K attribution. See the Standard Grant Agreement for details.
-

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

TRANSPORTATION AUTHORITY RECOMMENDATION

This section is to be completed by Transportation Authority Staff.

Last Updated: 4/19/2017 **Res. No:** 2017-046 **Res. Date:** 5/23/2017

Project Name: Downtown Ferry Terminal - South Basin Improvements

Grant Recipient: Port of San Francisco

Metric	Prop K	Prop AA
Actual Leveraging - Current Request	98.49%	No Prop AA
Actual Leveraging - This Project	98.62%	No Prop AA

SFCTA Project

Reviewer: P&PD

SGA PROJECT NUMBER

Sponsor: Port of San Francisco

SGA Project Number: 109-913004 **Name:** Downtown Ferry Terminal - South Basin Improvements

Phase: Construction

Fund Share: 1.51%

Cash Flow Distribution Schedule by Fiscal Year

Fund Source	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21+	Total
Prop K		\$440,000	\$440,000	\$220,000		\$1,100,000

**San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form**

FY of Allocation Action: 2016/17

Current Prop K Request: \$ 1,100,000

Current Prop AA Request: \$ -

Project Name: Downtown Ferry Terminal - South Basin Improvements

Grant Recipient: Port of San Francisco

- 1) The requested sales tax and/or vehicle registration fee revenues will be used to supplement and under no circumstance replace existing local revenues used for transportation purposes.

Required for Allocation Request Form Submission Initials of sponsor staff member verifying the above statement
JH

CONTACT INFORMATION

Project Manager

Name: Mike Gougherty

Title: Senior Planner (for WETA)

Phone: (415) 364-3189

Email: gougherty@watertransit.org

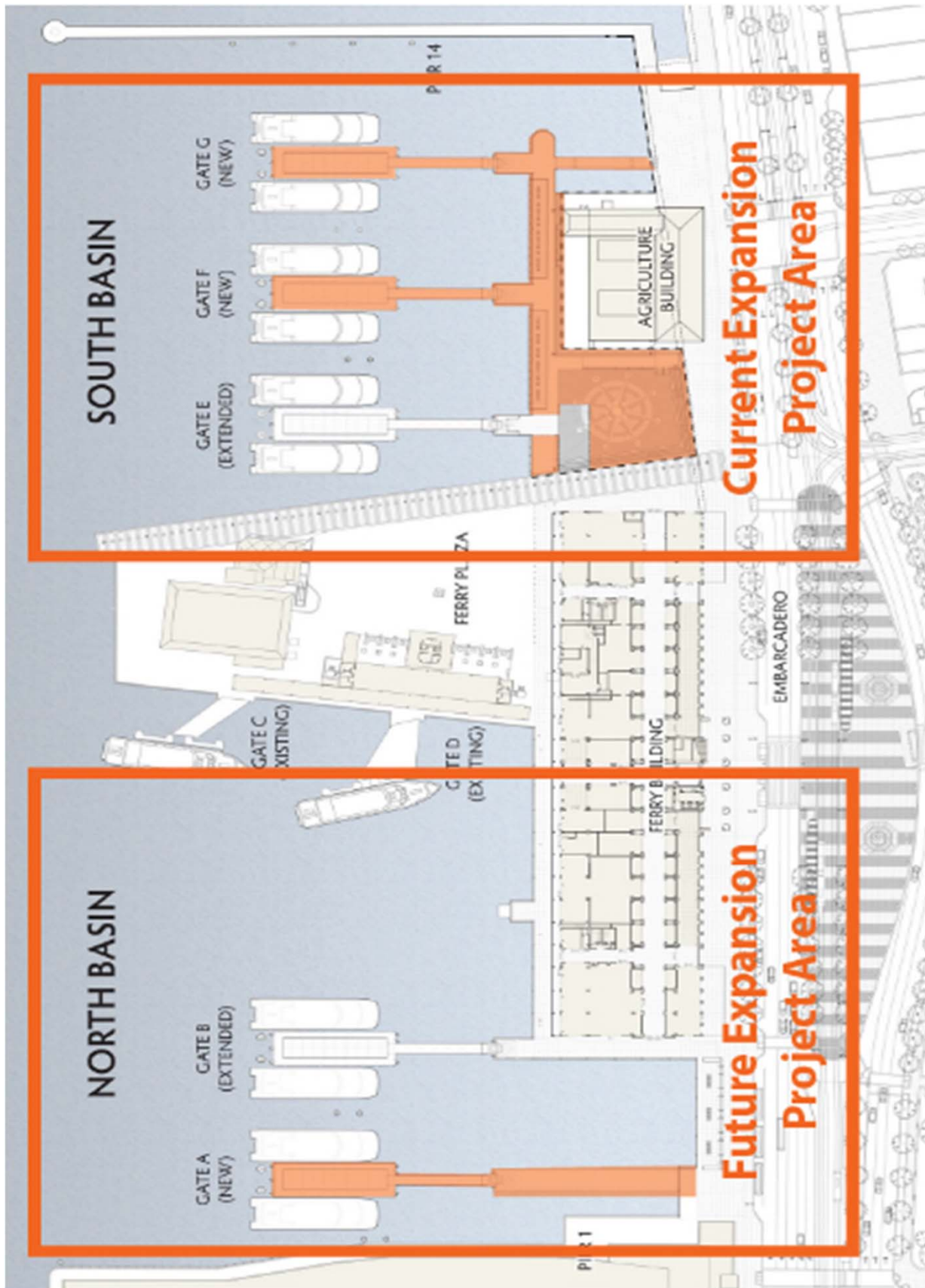
Grants Section Contact

Meghan Wallace

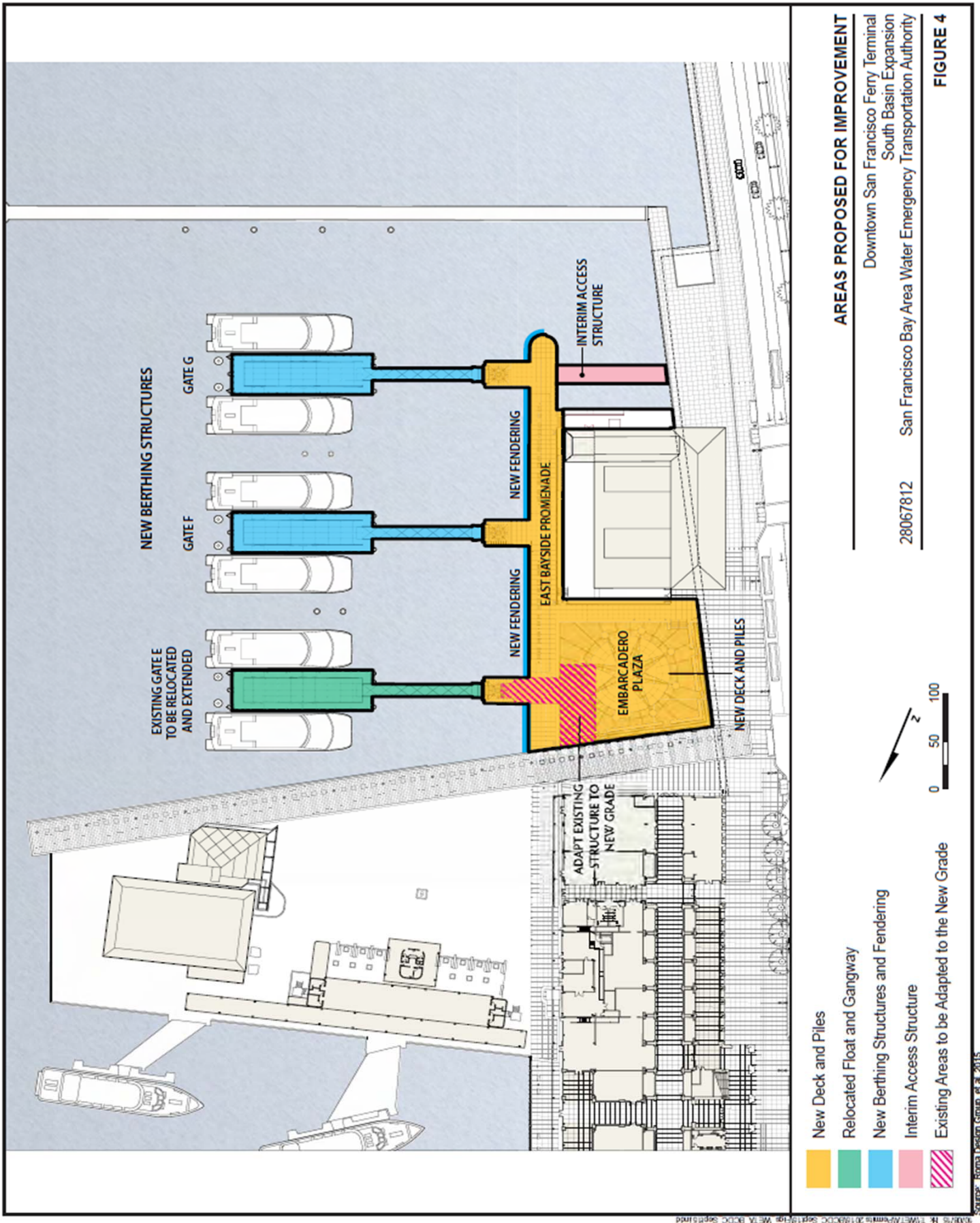
Finance and Procurement Manager

(415) 275-0426

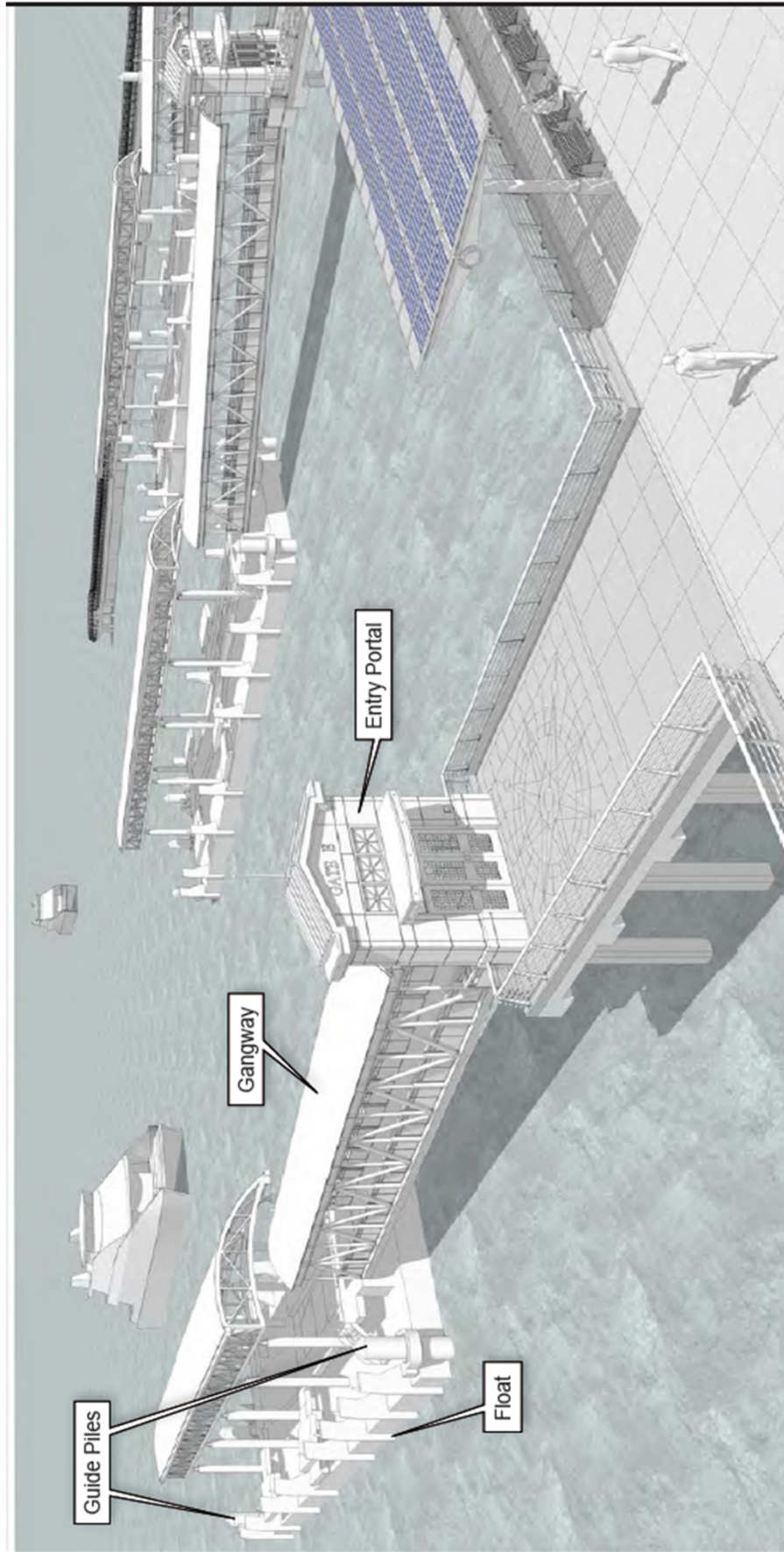
meghan.wallace@sfport.com



San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form



San Francisco County Transportation Authority
Prop K/Prop AA Allocation Request Form



SIMULATED VIEW OF BERTHING FACILITIES

28067812 Downtown San Francisco Ferry Terminal
San Francisco Bay Area Water Emergency Transportation Authority South Basin Expansion

FIGURE 5

Source: Roma Design Group, et al, 2015

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2017-24

APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE PORT OF SAN FRANCISCO AND WETA FOR PROPOSITION K FUNDS FOR THE DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT

WHEREAS, WETA is working in partnership with the Port of San Francisco (Port) in developing a Downtown San Francisco Ferry Terminal Expansion Project in San Francisco, CA (Project); and

WHEREAS, in November 2013, San Francisco voters approved Proposition K (Prop K) for transportation improvements; and

WHEREAS, the San Francisco County Transportation Authority (SFCTA) is responsible for administering Prop K funds; and

WHEREAS, the Prop K Expenditure Plan and associated 5-Year Prioritization Programs (5YPPs) includes funding to improve the downtown ferry terminals; and

WHEREAS, the Port is one of two eligible project sponsors; and

WHEREAS, WETA is the lead for project construction; and

WHEREAS, the Port and WETA submitted a Prop K allocation request to SFCTA for \$1,100,000 to support the construction of the Project; and

WHEREAS, SFCTA approved the allocation request on May 23, 2017; now, therefore be it

WHEREAS, the Port and WETA must execute a Memorandum of Understanding (MOU) for Prop K funding that defines roles and responsibilities for passing through Prop K funds to WETA for use in delivering the Project; and

RESOLVED, that the Board of Directors hereby approves the proposed MOU between the Port and WETA on terms consistent with those described in the Memorandum; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to execute the proposed MOU on terms consistent with those described in the Memorandum.

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 October 5, 2017.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2017-24

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Keith Stahnke, Manager, Operations

SUBJECT: Approve Contract Award to Bay Ship & Yacht Co. for MV *Solano* Propulsion Train Subcomponent Replacement and Upgrades Project

Recommendation

Approve the following actions relative to a contract award for the MV *Solano* Propulsion Train Subcomponent Replacement and Upgrades Project:

1. Authorize a contract award to Bay Ship & Yacht Co. in the amount of \$750,000 for the MV *Solano* propulsion train subcomponent replacement and upgrades; and
2. Authorize the Executive Director to negotiate and execute a contract and take other related actions as may be necessary to support this work; and
3. Authorize a budget increase to the MV *Solano* Major Component Rehabilitation project in the FY 2017/18 Capital Budget in the amount of \$350,000, bringing the total project budget to \$780,000, to support contract award.

Background

This project provides for replacement of the major propulsion train subcomponents of the MV *Solano*. The original Geislinger outboard bearing housing elements and high speed shafting are nearing the end of their economic life and have become increasingly costly to repair and maintain. This project is required to ensure that the vessel can operate safely, reliably, and efficiently until its scheduled rebuild in FY 2020. This project will result in enhanced propulsive efficiency, more reliable operation, and reduced maintenance costs.

Preliminary engineering work was jointly completed by Pacific Power Group, an authorized MTU dealer. The Request for Proposals (RFP) requires that the installing shipyard complete the final engineering for approval by WETA. All vessel modifications will be subject to U.S. Coast Guard review, inspection, and approval.

This refit is planned for November 2017 and has been included in WETA's master vessel maintenance schedule. Additional work components needed on the MV *Solano* this winter work cycle were added to the technical specifications for this project in an effort to streamline the work. This included annual drydock work and minor repairs to vessel piping systems. Sufficient vessel rehabilitation grant funds are available to support this additional work which can be capitalized as a part of the major component rehabilitation project. The vessel is expected to be out of service for 30 days to accomplish this work package.

Discussion

The RFP was released on July 31, 2017. Notice of this RFP was sent to WETA's mailing list, posted on the Agency's website, and advertised with the San Francisco Chronicle, Passenger Vessel Association and in the Regional DBE Business Outreach Committee quarterly newsletter.

On August 10, 2017, WETA hosted a mandatory Proposers conference at Pier 9 which was attended by individuals representing three shipyards. WETA staff issued two addenda to the original RFP clarifying the specifications set forth in the RFP and responding to pre-proposal questions. Proposals were due to WETA on or before September 8, 2017.

The RFP required proposers to submit technical qualifications for review and scoring, as well as a separate price proposal to be reviewed if the proposer met the technical requirements. The technical portion of the evaluation process amounted to 60 percent of the total possible score. Technical scores considered each proposer's technical approach, team qualifications, shipyard production abilities, machinery installation and alignment work plan, experience in similar projects, and references. Total price amounted to 40 percent of the total possible score.

Two proposals were received. The submitting shipyards were Bay Ship & Yacht Co. and Marine Group Boat Works. The proposals were reviewed and determined to be compliant with the RFP and technical specifications. Both proposals were reviewed and scored by the Proposal Evaluation Committee; scoring results are as follows.

<u>Proposer</u>	<u>Technical Score</u>	<u>Price Score</u>	<u>Total Score</u>
Bay Ship & Yacht Co.	46.2	40.0	86.2
Marine Group Boat Works	39.6	29.4	69.0

Accordingly, staff recommends awarding a contract to Bay Ship & Yacht Co. and proposes that this award include a 13% owner's contingency to allow for additive changes for work not yet identified but that may be necessary to satisfactorily complete the project. The recommended award for all shipyard work and contingency is \$750,000. If approved, staff will issue the Notice to Proceed for design and engineering activities as soon as possible with shipyard work to begin in early November 2017. Work for the project is expected to be completed by December 1, 2017.

DBE/SBE Participation

For Federal FY 2017/18, WETA's overall annual Disadvantaged Business Enterprise (DBE) goal is 1.78 percent, and its Small Business Enterprise (SBE) goal is 5.04 percent for all FTA-assisted contracts. Staff has reviewed the DBE/SBE materials provided by Bay Ship & Yacht Co. and has determined that they have complied with the DBE requirements for this contract.

Fiscal Impact

The FY 2017/18 Capital Budget includes \$430,000 to support the MV *Solano Major Component Rehabilitation* project. A capital budget increase in the amount of \$350,000 is required to fully fund this project including additional work scope, construction management and administration costs, with a total budget of \$780,000. This project will be funded with grant funds available to support vessel rehabilitation projects including \$624,000 Federal Transit Administration grant funds (80%) and \$156,000 AB664 Toll Bridge Net Revenues funds (20%).

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2017-25

**APPROVE THE AWARD OF A CONTRACT TO BAY SHIP & YACHT CO. FOR MV SOLANO
PROPULSION TRAIN SUBCOMPONENT REPLACEMENT AND UPGRADES PROJECT**

WHEREAS, San Francisco Bay Area Water Emergency Transportation Authority (WETA) has established the *Major Component Rehabilitation - M/V Solano* project (Project) in its FY 2017/18 Capital Budget; and

WHEREAS, WETA has established procedures in its Administrative Code relating to the selection and contracting of Construction Services, including projects where Federal Transit Administration (FTA) funds will be used; and,

WHEREAS, WETA has FTA and local match funds to support the Project; and

WHEREAS, on July 31, 2017, WETA issued a Request for Proposals (RFP) for M/V SOLANO Propulsion Train Subcomponent Replacement and Upgrades Project; and

WHEREAS, WETA followed the procedures in its Administrative Code, consistent with an FTA project regarding solicitation and evaluation of qualifications; and,

WHEREAS, WETA staff has evaluated the proposals submitted for this project and conducted a cost analysis to ensure that the proposed price is fair and reasonable and, as a result, recommends the award of a contract for services to Bay Ship & Yacht Co. to complete this project in the amount of \$750,000 which includes a thirteen percent (13%) owner's contingency; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into a contract with Bay Ship & Yacht Co. to provide shipyard services for the Project for an amount not to exceed \$750,000; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute a contract and take any other related actions as may be necessary to support this work; and be it further

RESOLVED, the Board of Directors approves a capital budget increase in the amount of \$350,000 to complete this project.

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 October 5, 2017.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2017-25

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Keith Stahnke, Manager, Operations

SUBJECT: Authorize Budget Adjustment for the Mid-Life Refurbishment of the MV *Peralta*

Recommendation

Authorize a budget increase to support Phase II of the MV *Peralta* Mid-Life Refurbishment Project in the FY 2017/18 Capital Budget in the amount of \$3,005,953 to bring the total project budget up to \$5,117,000 in order to support the proposed updated work program for this project.

Background

The MV *Peralta* was built in 2001 by Nichols Brothers Boat Builders and acquired by WETA from the City of Alameda in April 2011 through the transition of the Alameda Oakland Ferry Service to WETA. To ensure safe and reliable operation, and to achieve the full service life, an extensive mid-life refurbishment is required. This project was split into two phases in order to slot the work into two winter work cycles.

Phase I of the MV *Peralta* Mid-Life Refurbishment project, which was completed in 2015 by Bay Ship & Yacht, focused on engines, major machinery and equipment overhauls for a cost of \$3.42 million, leaving just over \$2 million available from the original budget for Phase II work. Since Phase I work was completed the MV *Peralta* has been in near continuous operation with service hours and number of passengers carried significantly increasing from previous years. Phase II work was deferred for a year last winter due to the limited available spare vessels and increased demand for service. With arrival of the ferries MV *Hydrus* and MV *Cetus*, WETA is now able to remove the MV *Peralta* from service to complete the much-needed Phase II work.

Discussion

The Board of Directors authorized release of the Request for Proposals (RFP) for Phase II mid-life refurbishment of the MV *Peralta* in July 2017. At the time, staff noted that the full scope of work for the project was still under development and that, most notably, staff was working to identify an approach to addressing excessive vibrations affecting areas of the hull near the rudder stock and skeg. Numerous modifications and repairs have been completed in the past, but none have had long term success. To fully address this situation, staff has worked with a variety of technical firms who specialize in vessel construction and vibration analysis. The results of the analysis recommend a new propeller design in order to reduce the vibration to acceptable levels and new aft hull modules with modified scantlings to replace fatigued hull sections. Staff recommends incorporating this significant, but highly recommended, work into Phase II of the midlife to ensure long term viability of the vessel through the end of its useful life.

This memorandum is intended to inform the Board of the revised final work scope recommended for the Phase II midlife project and request concurrence for moving forward with this more robust work program through approval of a budget adjustment for the project.

Revised Phase II Work Scope

Major work now proposed to be completed as part of Phase II of the MV *Peralta* Mid-Life Refurbishment includes:

- Refit of the passenger cabins including carpeting, seating and ceiling panels
- Renovation of the heads and galley
- Resealing and replacement, where needed, of cabin windows
- Complete exterior painting and finishes
- Reconfiguration of the pilot house, including replacement of navigation electronics
- Ship system control replacement
- Steering and engine control system replacement
- Mid-term engine overhaul
- Fabrication and installation of new hull modules
- Purchase of new propellers and spares
- Passenger information and CCTV systems
- LED Lighting, electrical motors and pumps
- Plumbing and valves
- Safety systems

A detailed engineer's estimate for the mid-life work scope has been prepared. The cost estimate for the recommended work program including contingency, construction management and administration is \$5,117,000. Moving forward with this program would require an increase to the project budget of \$3,005,953. If approved, the full work scope will be incorporated into the technical specifications for the project and issued as a part of the RFP.

Staff is prepared to move this project forward and anticipates being in a position to return to the Board with a recommendation for contract award for this work in December. If approved in December, Phase II work is expected to take seven months and be complete in summer 2018.

Fiscal Impact

The FY 2017/18 Capital Budget includes \$2,011,047 to support Phase II of the MV *Peralta* Mid-Life Refurbishment project. This item would increase the capital budget for the project in the amount of \$3,005,953, bringing the total project budget to \$5,117,000. Staff has identified additional capital funds available to support vessel work that can be utilized to support this project. With the recommended budget adjustment, this project will be funded with \$4,093,600 (80%) Federal Transit Administration and \$1,023,400 (20%) Alameda Transportation Sales Tax funds.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development

SUBJECT: Harbor Bay Terminal Parking and Access Update

Recommendation

There is no recommendation with this information item.

Background

The City of Alameda recently executed a permit parking program in the residential areas surrounding the Harbor Bay Ferry Terminal. The implementation of the residential parking program was preceded by a year's worth of public outreach and public agency coordination involving the City of Alameda (City), the Harbor Bay Homeowners Association (HOA), AC Transit and WETA. The City began notifying the general public and ferry riders of the pending change in July 2017 through flyers and posted signs. Permits were in place in August and the City began no-fee enforcement notices. In September, the City began full-scale enforcement of parking restrictions.

The planning process for the permit program in Harbor Bay began in the spring and summer of 2016. After an outreach process led by the City and the Homeowners Association, the City Council adopted a three-part strategy for addressing spillover parking in the summer of 2016. The strategy recommended implementing residential permit parking, improving the reliability of AC Transit service and other alternate means of getting to the terminal, and asking WETA to consider implementing a parking fee program at the terminal. The WETA Board adopted a framework for parking fees systemwide in response to this request in the fall of 2016. After another round of outreach in the fall of 2016 to residents and ferry riders led by the City and the HOA, the City Council adopted the residential permit program – the first in Alameda – in December 2016. The City and the HOA then led a round of outreach in the summer of 2017 prior to the implementation of the permit program in August 2017.

Only residents with a valid sticker are able to park in residential areas surrounding the Harbor Bay Terminal. Parking along Adelphian Way has always been restricted to two hours based on the Harbor Bay master permit with the Bay Conservation and Development Commission (BCDC). However, since the 2013 BART strike, the City has relaxed enforcement of the two hour limit on Adelphian Way. With the introduction of residential permit parking, the City has also begun enforcing the two-hour limit on Adelphian Way. The City has allocated some on-street parking spaces on Harbor Bay Parkway which is roughly a quarter-mile walk from the terminal.

An organized group of ferry riders has appealed to both the City and the WETA Board expressing frustration at the loss of parking and suggesting changes in access and parking policies for the City to consider. At the request of this group, the WETA Board has asked City staff to provide an update on the permit parking program at its October meeting.

Since the change in parking, Harbor Bay ferry ridership has averaged 1,324 daily boardings. This represents a 4.2% increase over the same period last year. There appears to have been a very small shift in boardings in the AM period. The 8:30 AM departure has averaged 213 boardings per day since the change in parking, down from 220 per day in the six months prior to the change. Staff feels that while these figures help to provide initial insight, it is too early to form clear conclusions on the impact to ridership from the parking changes.

Fiscal Impact

There is no fiscal impact associated with this informational item.

END