

Members of the Board

Jody Breckenridge, Chair
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Nicholas Josefowitz
James Wunderman, Vice Chair

**SAN FRANCISCO BAY AREA
WATER EMERGENCY TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING
Thursday, March 1, 2018 at 1:30 p.m.
San Francisco Bay Area
Water Emergency Transportation Authority
Pier 9, Suite 111
San Francisco, CA**

NOTE: New Location

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**
Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report to be made at another meeting.
5. REPORTS OF STAFF **Information**
 - a. Executive Director’s Report on Agency Projects, Activities and Services
 - b. Monthly Review of Financial Statements
 - c. Legislative Update
6. CONSENT CALENDAR **Action**
 - a. Board Meeting Minutes – February 8, 2018
 - b. Authorize Submission of an Allocation Request to the California Department of Transportation for FY 2017/18 Low Carbon Transit Operations Program Grant Funds
 - c. Authorize the Executive Director to Execute a Certificate of Acceptance of an Amended Easement from Ford Point LLC Relative to the Richmond Terminal Project and Further Authorize the Executive Director Generally to Execute Certificates of Acceptance for Future Transfers of Similar Grants or Deeds
7. AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A DEVELOPMENT AND MAINTENANCE AGREEMENT FOR A KAYAK LAUNCH RELATIVE TO THE RICHMOND FERRY TERMINAL PROJECT **Action**

Water Emergency Transportation Authority
March 1, 2018 Meeting of the Board of Directors

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| 8. <u>APPROVE CONTRACT AWARD TO BAY SHIP & YACHT CO. FOR DRY DOCK AND ENGINE REPLACEMENT WORK ON THE MV BAY BREEZE</u> | Action |
| 9. <u>APPROVE CONTRACT AWARD TO GLOSTEN FOR VESSEL CONSTRUCTION MANAGEMENT SERVICES</u> | Action |
| 10. <u>AUTHORIZE STAFF TO PROCEED WITH AN EXPLORATORY STUDY OF POTENTIAL WETA SMALL VESSEL OPERATIONS</u> | Action |
| 11. <u>PUBLIC COMMENTS FOR NON-AGENDA ITEMS</u> | |

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.

PUBLIC COMMENTS 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, 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: March 1, 2018

RE: Executive Director's Report

CAPITAL PROJECT IMPLEMENTATION UPDATE

4 New Vessels – Central Bay

This project will construct four new 400-passenger high-speed 27-knot propeller 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. The first of these vessels, the MV *Argo*, is nearing completion, while there has been a slip in delivery schedule of 60 days, workmanship and quality of construction is excellent. Current milestone delivery schedule, launch vessel March 8, commissioning, dock trials and sea trials to occur in April; Initial acceptance in Seattle April 30, Final acceptance in San Francisco May 15. The fourth vessel, the MV *Carina*, hull modules are all joined with exception of the bow module. Wiring, plumbing and insulation work is over 50% complete. Machinery including pumps, generators, shafting and rudders are installed. At the Vigor Harbor Island facility the cabin module deck is fully framed and aligned, this vessel is scheduled for completion in December 2018.

3 New Vessels – North Bay

This project will construct three new 445-passenger high-speed 34-knot 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 complete. All major machinery and equipment has been ordered. The first shipset of waterjets has been delivered. The new generation EPA Tier 4 engines underwent factory testing in October and will be delivered to the shipyard. The hulls for the first and second vessels, the MV *Pyxis* and MV *Vela*, are 75% and 45% complete, respectively. Hull framing for the third vessel, the MV *Lyra*, is also complete. The MV *Pyxis* is scheduled for delivery in December 2018.

MV *Peralta* Mid-Life Project – Phase Two

This project provides for a general refurbishment of the vessel. On December 7, 2017 the Board of Directors approved a contract award to Marine Group Boat Works. The Phase Two refurbishment includes: renovation of the passenger cabins, bathrooms and galley, exterior paint and coatings, navigation electronics, control systems upgrades, steering system replacement, stern hull section module. The MV *Peralta* arrived safely in San Diego on December 18th. The cabin interior has been cleared of overhead, seating and carpet in preparation of new installations. The old stern section has been removed and the new stern sections are 50% complete. Engineering and design are underway for the interior passenger spaces, wheelhouse dash and main deck bar. Project work is scheduled to be completed by June 2018.

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 operations. 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 the waterside installation of floats and piles was completed in 2017. The project is scheduled for completion in the spring or summer of 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 planned for 2017 was successfully completed within the six month regulatory window for in-water construction. The contractor will resume pile driving during the next six month regulatory work window that begins in June. In February, the contractor continued to build formwork, install rebar, and pour concrete to construct the new promenade which will provide access to future Gates F and G. This project is scheduled to be completed in late 2019.

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 was completed in October. The waterside pile installation was completed in November. Construction of the landside improvements commenced in February 2018. The estimated start date for Richmond operations is currently October 2018.

SERVICE DEVELOPMENT UPDATE

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. Port staff anticipates releasing an environmental document in the early part of 2018 along with public outreach to Mission Bay stakeholders.

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.

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.

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 of Redwood City (Port), WETA and 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 would 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 is working with City and Port officials on a project MOU and will identify a future opportunity in 2018 for Board members to meet with City and Port officials regarding this project.

SYSTEM PLANS/STUDIES

Passenger Intercept Survey

This project is a systemwide survey of WETA riders that will provide staff with important information about how and why riders use the ferry, their demographic and socioeconomic characteristics, as well as their current satisfaction with WETA services. The Passenger Intercept Survey is administered on a triennial basis, and provides data required to meet FTA and Metropolitan Transportation Commission (MTC) reporting requirements, as well as information needed to effectively plan, market, and provide customer service for WETA services. Staff secured the on-call planning services of CDM Smith to administer the survey and prepare a final report summarizing the results. CDM Smith conducted the surveys on all WETA routes during the first two weeks of November. Initial counts show that the surveyors received upwards of 1,600 completed surveys. The final report is scheduled to be completed in April 2018.

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 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 continued its outreach process through the end of August and began active enforcement in September 2017. To make up for the loss of parking, WETA began working with the City to develop strategies to enhance alternative access to the terminal, and staff executed an agreement with AC Transit to offer a free transfer to ferry riders who take the bus to the ferry. In addition, bike lockers were upgraded and new bike racks were 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 CDM Smith to evaluate 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 that 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 worked with City of Alameda staff beginning in spring 2015 to open the Officer's Club parking lot as an overflow lot for the many riders who had been 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. In addition to the parking improvements, 20 bicycle lockers at the Main Street terminal -- funded through a grant from the Bay Area Air Quality Management District -- were installed on February 22, 2016. Staff shifted focus to identify additional access improvement possibilities - such as buses, shuttles, bicycles, and pedestrian improvements - after the parking improvements were underway, and recently met with private companies like 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 is in communication

with Berkeley staff in an effort to identify 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 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:

Operation Return & Evacuation Table Top Exercise:

WETA is working with the Department of Emergency Management, Port of San Francisco and other regional partners to plan a table top exercise focused on the City and County of San Francisco's (CCSF) Operation Return & Evacuation Plan on February 22. CCSF's Operation Return Plan details the method in which the CCSF will recall to duty and transport Disaster Service Workers (DSWs) and emergency responders who work for CCSF but live outside of the city. This exercise is a follow up from a workshop held on December 11 which focused on planning gaps and worked to develop a common understanding of a coordinated, tiered, multi-layered, multi-agency, and multi-discipline survivor and DSW movement coordination strategy. The table top will consist of a mapping exercise focused on the collection points, shelters, and routes to get survivors out of San Francisco and DSWs back into San Francisco during a scenario similar to the 1906 earthquake. While the exercise is focused on the CCSF, it will also include regional participants such as the Port of Oakland, as the movement of survivors and DSWs into or out of San Francisco will have impacts on other jurisdictions outside of CCSF.

Participation in Emergency Response Meetings: WETA is participating in the following recurring emergency response meetings:

- 2018 Regional Port Reopening Meetings: The San Francisco Bay Regional Port Reopening Coalition is a group of partnering agencies in the maritime community working together to clarify the coordination process of the critical path to overall restoration of port operations following a catastrophic disaster through workshops and exercises. The focus for the 2018 workshop series will be how the topics below relate to the maritime / land nexus:
 1. Critical Decisions
 2. Critical Routes
 3. Situational Awareness and Common Operating Picture
 4. Emergency Ferry Transportation and Evacuation
 5. Debris Management
 6. Emergency Fuel and UtilitiesThe Critical Decisions workshop was held on January 25 and discussed critical decisions, how each agency formulates these decisions and how they are coordinated and communicated in the region.
- City and County of San Francisco's (CCSF) Emergency Support Function (ESF) #1 Transportation Workgroup: This workgroup meets monthly to update the CCSF's ESF#1 Transportation Annex & Appendix C Operation Return Plan and share

- transportation related information and lessons learned with local, state, federal, private sector and non-governmental organizations.
- City of Alameda Disaster Council: The City of Alameda is working to update their city-wide emergency response plan and has revamped the Disaster Council to focus on this work. WETA will be participating in this process and will use the opportunity to ensure alignment with WETA's Emergency Response Plan and further coordinate with appropriate city departments on emergency response items.

Exercise and Training Program for 2018:

Staff is working to establish a 2018 training schedule for WETA and Blue & Gold Staff on emergency response plans and procedures and for WETA's participation in regional exercises and training opportunities this year.

OPERATIONS REPORT

Monthly Operating Statistics - The Monthly Operating Statistics Report for January 2018 is provided as Attachment A.

KEY BUSINESS MEETINGS AND EXTERNAL OUTREACH

On February 22, Kevin Connolly participated in a panel forum hosted by SPUR on water transportation.

On February 22, Lauren Duran Gularte and Kevin Connolly participated in a Tabletop Exercise hosted by the Port of San Francisco.

On February 23, Nina Rannells participated in the Bay Area Partnership Board of Directors meeting at MTC.

On February 26, Nina Rannells participated in the Clipper Executive Board meeting in Oakland where, amongst other things, the Board considered approval of WETA's request to add the new Richmond service to the Clipper system.

OTHER BUSINESS

New WETA Board Member Appointed

Speaker of the Assembly, Anthony Rendon, appointed Nicholas Josefowitz to serve on the San Francisco Bay Area Water Emergency Transportation Authority Board of Directors effective January 23, 2018, through January 1, 2024. Mr. Josefowitz has been a member of the BART Board of Directors since December 2014, and represents San Francisco on the Metropolitan Transportation Commission as the mayor's appointee. His knowledge of Bay Area transportation systems will serve WETA well as we work to secure new funding and implement our 2016 Strategic Plan.

Assembly Bill 1121 (Chiu)

Assemblymember David Chiu (D) San Francisco, 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 by the State Legislature in 2018.

Regional Measure 3

Senate Bill 595 (SB 595), signed by the Governor on October 19, 2017, was introduced by Senator Beall on February 17, 2017 to authorize a new bridge toll measure (Regional Measure 3) to raise the tolls on the state-owned bridges to fund a program of regional transportation improvements, including WETA ferry projects, in the San Francisco Bay Area. The WETA Board adopted a Regional Measure 3 Principles and Investment Program at its June 2017 meeting and took a position of "support" for the bill at its meeting in July 2017.

On January 24, 2018, the Bay Area Toll Authority authorized moving forward to place Regional Measure 3 on the June 5, 2018 ballot. If approved by a majority of Bay Area voters, the measure would raise tolls by a total of \$3 over a six year period starting with a \$1 increase on January 1, 2019, followed by additional \$1 increases in January 2022 and January 2025.

The WETA Board of Directors adopted a resolution of support for Regional Measure 3 at their February 8, 2018 meeting. Regional Measure 3 will provide WETA with \$300 million in capital funds to support construction of WETA vessels, terminals and facilities and an annual operating subsidy to support enhanced and expanded ferry services that starts at \$10 million in the first year and grows to \$35 million annually by the fifth year. Operating funds not utilized in a given year will be set aside in a reserve by MTC for use by WETA in future years.

Federal Transit Administration Review

WETA has received notification of the upcoming Federal Transit Administration (FTA) Comprehensive Review scheduled to take place in 2018. Recipients of FTA funds are required to undergo this review every three years, to assess management practices and program implementation, and ensure that the recipient programs are administered in accordance with FTA requirements and objectives. Staff has submitted the required pre-audit materials to FTA and the on-site review is scheduled to take place on July 19-20.

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. A draft of this initial work is expected to be received in February.

END

Attachment A

Monthly Operating Statistics Report January 2018

			Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
Boardings	<i>vs. last month</i>	Total Passengers January 2018	80,817	28,743	12,644	71,719	193,923
		Total Passengers December 2017	86,593	23,035	9,109	73,511	192,248
		Percent change	-6.67%	24.78%	38.81%	-2.44%	0.87%
	<i>vs. same month last year</i>	Total Passengers January 2018	80,817	28,743	12,644	71,719	193,923
		Total Passengers January 2017	67,972	25,170	9,607	63,669	166,418
		Percent change	18.90%	14.20%	31.61%	12.64%	16.53%
	<i>vs. prior FY to date</i>	Total Passengers Current FY To Date	768,732	192,531	81,816	614,672	1,657,751
		Total Passengers Last FY To Date	698,582	180,876	75,262	579,195	1,533,915
		Percent change	10.04%	6.44%	8.71%	6.13%	8.07%
	Avg Weekday Ridership January 2018	3,067	1,307	575	3,009	7,957	
Ops Stats	Passengers Per Hour	117	174	74	121	120	
	Revenue Hours	688	165	171	591	1,615	
	Revenue Miles	9,592	3,530	2,717	18,100	33,939	
Fuel	Fuel Used (gallons)	49,569	16,283	15,135	130,406	211,393	
	Avg Cost per gallon	\$2.45	\$2.45	\$2.45	\$2.38	\$2.40	

* Includes backup bus boardings. January bus ridership totaled 674 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 Seven Months
Ending January 31, 2018**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2017/18 Financial Statements for seven months ending January 31, 2018.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenues	\$10,718,427	\$11,102,600	\$11,965,136
Bridge Toll Revenues	7,857,111	12,489,379	10,191,159
Other Revenues	1,050	428,822	3,335
Total Operating Revenues	\$18,576,588	\$24,020,801	\$22,159,630
Expenses - Year To Date:			
Planning & Administration	\$1,136,158	\$1,767,123	\$1,100,222
Ferry Services	17,440,430	22,253,678	21,059,407
Total Operatings Expenses	\$18,576,588	\$24,020,801	\$22,159,630
System-Wide Farebox Recovery %	61%	50%	57%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2017/18 Budget
Revenues:		
Federal Funds	\$12,372,502	47.84%
State Funds	40,209,526	45.48%
Bridge Toll Revenues	9,801,551	44.55%
Other Revenues	219,776	8.96%
Total Capital Revenues	\$62,603,355	45.13%
Expenses:		
Total Capital Expenses	\$62,603,355	45.13%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 2017/18 Statement of Revenues and Expenses
For Seven Months Ending 1/31/2018

% of Year Elapsed 59%

	Current Month	Dec-17	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	\$124,238	\$91,554	\$581,604	\$836,144	\$630,692	1,419,500	44.4%
Services	141,103	71,296	611,572	976,041	532,689	1,657,000	32.1%
Materials and Supplies	1,188	1,563	14,990	50,775	11,915	86,200	13.8%
Utilities	2,779	3,239	11,066	16,788	19,331	28,500	67.8%
Insurance	-	-	1,178	15,315	1,201	26,000	4.6%
Miscellaneous	66,277	57,278	134,673	152,738	140,990	259,300	54.4%
Leases and Rentals	30,881	31,076	192,705	217,121	215,874	368,600	58.6%
Admin Overhead Expense Transfer	(95,708)	(59,256)	(411,630)	(497,799)	(452,470)	(845,100)	53.5%
Sub-Total Planning & Gen Admin	\$270,757	\$196,750	\$1,136,158	\$1,767,123	\$1,100,222	3,000,000	36.7%
<u>FERRY OPERATIONS:</u>							
<u>Harbor Bay FerryService</u>							
Purchased Transportation	188,123	229,432	\$866,392	\$1,194,281	\$1,137,052	2,027,500	56.1%
Fuel - Diesel & Urea	39,902	39,690	162,385	301,530	234,502	511,900	45.8%
Other Direct Operating Expenses	39,297	40,363	219,130	331,807	228,906	563,300	40.6%
Admin Overhead Expense Transfer	12,101	7,486	52,451	63,145	57,209	107,200	53.4%
Sub-Total Harbor Bay ¹	\$279,423	\$316,970	\$1,300,357	\$1,890,763	\$1,657,669	3,209,900	51.6%
Farebox Recovery	49%	34%	66%	49%	53%	49%	
<u>Alameda/Oakland Ferry Service</u>							
Purchased Transportation	\$670,559	668,569	\$4,301,316	\$5,052,677	\$5,025,216	8,577,800	58.6%
Fuel - Diesel & Urea	121,468	128,259	634,187	1,198,110	884,673	2,034,000	43.5%
Other Direct Operating Expenses	122,321	132,090	618,240	1,041,307	745,518	1,767,800	42.2%
Admin Overhead Expense Transfer	41,530	25,654	171,504	214,882	196,058	364,800	53.7%
Sub-Total Alameda/Oakland	\$955,877	\$954,571	\$5,725,247	\$7,506,975	\$6,851,465	12,744,400	53.8%
Farebox Recovery	50%	47%	62%	47%	60%	47%	
<u>Vallejo FerryService</u>							
Purchased Transportation	\$1,076,503	\$1,047,385	\$5,867,744	\$6,266,160	\$6,919,859	10,637,900	65.0%
Fuel - Diesel & Urea	309,752	323,128	2,124,280	3,146,716	2,417,814	5,342,100	45.3%
Other Direct Operating Expenses	35,575	149,167	714,061	935,574	1,067,901	1,588,300	67.2%
Admin Overhead Expense Transfer	106,131	22,057	158,118	185,195	238,860	314,400	76.0%
Sub-Total Vallejo	\$1,527,961	\$1,541,737	\$8,864,203	\$10,533,645	\$10,644,434	17,882,700	59.5%
Farebox Recovery	52%	51%	65%	57%	60%	57%	
<u>South San Francisco FerryService</u>							
Purchased Transportation	\$217,192	\$164,839	\$1,091,652	\$1,589,881	\$1,428,114	2,699,100	52.9%
Fuel - Diesel & Urea	37,092	33,549	215,618	343,411	216,727	583,000	37.2%
Other Direct Operating Expenses	30,559	29,588	213,795	354,426	230,099	601,700	38.2%
Admin Overhead Expense Transfer	6,502	4,059	29,557	34,577	30,899	58,700	52.6%
Sub-Total South San Francisco	\$291,345	\$232,035	\$1,550,622	\$2,322,295	\$1,905,839	3,942,500	48.3%
Farebox Recovery	33%	29%	36%	26%	32%	26%	
Total Operating Expenses	\$3,325,363	\$3,242,063	\$18,576,588	\$24,020,801	\$22,159,630	\$40,779,500	54.3%
OPERATING REVENUES							
Fare Revenue	\$1,508,666	\$1,415,323	\$10,718,427	\$11,102,600	\$11,965,136	18,848,600	63.5%
Regional - Bridge Toll	1,814,337	1,826,365	7,857,111	12,489,379	10,191,159	21,202,900	48.1%
Regional - Alameda Tax & Assessment	-	-	-	428,822	-	728,000	0%
Other Revenue	2,360	375	1,050	-	3,335	-	0%
Total Operating Revenues	\$3,325,363	\$3,242,063	\$18,576,588	\$24,020,801	\$22,159,630	\$40,779,500	54.3%

**San Francisco Bay Area Water Emergency Transportation Authority
FY 2017/18 Statement of Revenues and Expenses
For Seven Months Ending 1/31/2018**

Project Description	Current Month	Project Budget	Prior Years Actual	FY2017/18 Budget	FY2017/18 Actual	Future Year	% of Total Project Budget
CAPITAL EXPENSES:							
FACILITIES:							
Terminal Construction							
Downtown Ferry Terminal Expansion - South Basin	\$1,008,310	\$97,965,000	\$15,787,480	\$36,792,520	\$14,556,842	\$45,385,000	31%
Richmond Ferry Terminal	112,949	20,000,000	2,590,699	12,409,301	\$3,578,121	5,000,000	31%
Maintenance and Operations Facilities							
North Bay Operations & Maintenance Facility	2,129	31,082,000	29,996,658	1,085,342	520,964	0	98%
Central Bay Operations & Maintenance Facility	2,326,099	69,500,000	31,431,761	37,068,239	\$22,905,565	1,000,000	78%
Terminal Improvement							
Terminal Dredging - Vallejo and SSF Terminals ¹	-	3,750,000	-	75,000		3,675,000	0%
FERRY VESSELS:							
Vessel Construction							
400-Pax Replacement Vessels - M/V Hydrus & M/V Cetus	444,132	33,951,000	31,175,793	2,775,207	\$2,329,475	-	99%
445-Pax Replacement Vessel - M/V Vallejo	505,756	23,372,000	4,694,001	12,777,999	\$3,678,016	5,900,000	36%
445-Pax Expansion (Waterjet) Vessels - 2 vessels	512,058	46,745,000	7,619,930	11,000,070	\$4,741,901	28,125,000	26%
400-Pax Expansion (Propeller) Vessels - 2 vessels	24,570	33,400,000	17,552,573	10,847,427	\$5,921,803	5,000,000	70%
New High-Speed Vessel	406	14,000,000	-	750,000	\$1,524	13,250,000	0%
Vessel Rehabilitation and Refurbishment							
Vessel Mid-Life Refurbishment Phase II - M/V Peralta	957,494	5,117,000	-	5,117,000	\$988,295	-	19%
Major Component Rehabilitation - M/V Solano	-	780,000	8,503	771,497	\$710,442	-	92%
Vessel Engine Overhaul - M/V Bay Breeze	41,222	850,000	-	850,000	\$386,852	-	46%
Vessel Qtr-Life Refurbishment - M/V Taurus	-	2,500,000	-	2,500,000	\$2,283,249	-	91%
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%
CAPITAL EQUIPMENT / OTHER:							
CCTV and LCD Network Integration	305	400,000	-	400,000	\$305	-	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	\$5,935,429	\$389,902,000	\$140,857,399	\$138,724,600	\$62,603,355	\$110,320,000	
CAPITAL REVENUES:							
Federal Funds	\$1,218,168	85,324,816	\$35,497,889	25,859,701	\$12,372,502	\$23,967,226	56%
State Funds	3,321,333	234,349,000	81,530,443	88,410,720	40,209,526	64,407,836	52%
Regional - Bridge Toll	1,204,032	63,201,032	19,915,315	22,000,779	9,801,551	21,284,937	47%
Regional - Alameda Sales Tax Measure B / BB	191,592	5,437,152	3,913,752	1,523,400	219,472	-	76%
Regional - Alameda TIF / LLAD	305	490,000	-	490,000	305	-	0%
Regional - San Francisco Sales Tax Prop K		1,100,000	-	440,000	-	660,000	0%
Total Capital Revenues	\$5,935,429	\$389,902,000	\$140,857,399	\$138,724,600	\$62,603,355	\$110,320,000	

¹ Board approved in January 2018 to add the project to the FY2017/18 Capital Budget at a total project budget of \$3.75 million.

TO: WETA Board Members

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

SUBJECT: WETA Federal Legislative Board Report – March 2018

This report covers the following topics:

1. Status of Federal Appropriations Process
2. Details on the Congressional Budget Agreement and What It Means for WETA
3. Putting the Public Ferry Coalition to Work
4. Status of FTA Grant Program Application

Status of Federal Appropriations Process

After a very brief government shutdown (is it really a shutdown if it happens for only a few hours, between midnight and 6am?), the Senate and House passed a Continuing Resolution (CR) on February 9 that extends government funding through March 23. Attached to the CR was legislation that, among other things, set top-line budget numbers for FY18 and FY19, while increasing funding for defense and non-defense programs. The deal also included more than \$80 billion in emergency disaster funding to aid recovery from hurricanes Harvey, Irma and Maria, as well as California wildfires, and it increases the debt ceiling into next year.

The fact that House and Senate leaders came together on a budget outline for defense and domestic discretionary spending is a big deal. This means that Congress will likely pass an Omnibus Appropriations bill by March 23 that will fund the government through the end of the fiscal year. When Congress finally concludes the FY18 appropriations process, it will turn immediately to the FY19 appropriations process, which is already underway in some respects.

Details on the Congressional Budget Agreement, and What it Means for WETA

The budget agreement increases spending nearly \$300 billion over existing levels over two years, including a \$63 billion increase for domestic spending this year and \$68 billion in 2019. How this increase will be distributed across the federal government is still being worked out.

Of note to WETA is that the budget agreement includes a pledge of \$10 billion a year in fiscal years 2018 and 2019 for "programs related to rural water and wastewater, clean and safe drinking water, rural broadband, energy, innovative capital projects, and surface transportation." While some people believe this is a step towards passing a big infrastructure bill, the reality is that this \$20 billion pledge is only 10 percent of the \$200 billion in federal spending that President Trump is calling for in order to induce another \$800 billion to \$1.3 trillion in non-federal spending.

With that all being said, we are talking with Congressional appropriators to highlight the funding needs of WETA and other public ferry systems.

Putting the Public Ferry Coalition to Work

As previously reported, we have been leading lobbying efforts with other members of the Public Ferry Coalition to keep funding for public ferry systems front and center as part of any discussion about an infrastructure package and as part of the aforementioned appropriations process. With the White House finally releasing its infrastructure plan on February 12, the time may finally be here for Congress to turn to infrastructure. Unfortunately, there remain serious questions about how to pay for a new infrastructure bill.

It is important to note that the Public Ferry Coalition will continue to be an important tool well into the future, including when Congress starts thinking about reauthorizing the FAST Act, which is the legislation that provides the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) with the authority and funding for the ferry programs these agencies administer.

Status of FTA Grant Program Application

To date, the Federal Transit Administration (FTA) has given no indication as to when it will announce funding through its ferry discretionary grant program. WETA submitted an application for funding to upgrade and enhance the vessel *Solano*. Both Senators have sent letters of support to DOT, as have Representatives Nancy Pelosi, Mike Thompson, Jared Huffman, Jackie Speier, Zoe Lofgren, Anna Eshoo, Barbara Lee, Mark DeSaulnier, Eric Swalwell and John Garamendi.

Respectfully Submitted,

Peter Friedmann and Ray Bucheger

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

(February 8, 2018)

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 1:37 p.m.

2. ROLL CALL

Chair Breckenridge, Vice Chair James Wunderman, Director Jeffrey DeBono, and Director Anthony Intintoli were in attendance.

3. REPORT OF BOARD CHAIR

Chair Breckenridge said that she had recently discussed WETA's ferry services with the Governor and indicated that there might be an opportunity for WETA to partner with the State to explore options for fast ferry vessels that leave even smaller environmental footprints than WETA's fleet does presently. She noted that she recently learned of an initiative in British Columbia that would require their ferries, which are different than those operated by WETA, to use liquefied natural gas (LNG) as a primary fuel source.

4. REPORTS OF DIRECTORS

Vice Chair Wunderman reported that as an individual and through his work at the Bay Area Council he is working diligently to assure that RM3 will pass in June. He asked that anyone wanting more information about the campaign or wanting to help in those efforts contact him directly or contact Bay Area Council Policy Director Emily Loper. He said that assuring the measure passes is currently the Bay Area Council's highest priority.

Vice Chair Wunderman reminded Directors about the letter he sent to Executive Director Nina Rannells in January regarding smaller vessel opportunities. He noted that a number of Bay Area Council members had contracted directly with smaller, commercial ferry operators to provide private ferry services for their employees. He said that he believed that WETA vessels are sometimes larger than needed for the level of demand. Vice Chair Wunderman further noted that private service was currently operating in Martinez and he said perhaps WETA could work with that private company to bring more robust service to Martinez soon. He said his letter was intended to initiate a discussion about additional work that WETA may engage in to identify opportunities to utilize smaller fast ferry vessels. Vice Chair Wunderman also noted that changes to external regulatory requirements could help move new projects through the numerous regulatory and permitting processes faster.

Chair Breckenridge noted that she had asked staff to review internal work plans and bring forward an item at a future meeting with a proposed approach to exploring the potential use of small ferries in future services, as Vice Chair Wunderman has requested.

Director Intintoli reported that he and Executive Director Nina Rannells would be meeting the following week with the Solano Transportation Authority and the Solano County Board of Supervisors to discuss how RM3 funding would impact WETA's ferry services.

5. REPORTS OF STAFF

Ms. Rannells shared her written report with Directors and welcomed questions. She noted that a new Director, Nick Josefowitz, had been appointed to the WETA Board by Speaker of the Assembly Anthony Rendon. She said Director Josefowitz has a breadth of transportation experience and serves at several other transportation agencies including BART and as a Commissioner at the Metropolitan Transportation Commission. Ms. Rannells added that Director Josefowitz was not able to attend the meeting today, but that he has confirmed his availability to attend future 2018 WETA Board meetings.

Ms. Rannells said that she, Operations Manager Keith Stahnke, and Engineering & Maintenance Administrator Tim Hanners had attended the Passenger Vessel Association conference in Savannah, GA the prior week. Ms. Rannells said that though not a lot of new vessel technology had been presented at the conference, there had been a recent announcement about a grant of EUR \$11 million awarded to support the completion of an all-electric vessel in Norway. Mr. Stahnke said the completion of that project was expected in about four years.

Vice Chair Wunderman said he had recently attended a clean technology conference where he had seen a presentation from Steve Westly of The Westly Group that had given him hope that the battery improvement timeline was considerably shorter than generally understood. He noted that the infrastructure was likely to be the key challenge in moving battery technology forward.

It was agreed that electric battery technology needed further evolution before it could be utilized by WETA. Chair Breckenridge reiterated the importance of identifying and securing a robust partner like the State to help further the agency's efforts to explore greener fast ferry vessel technology for its future fleet and facilities. She also said that in thinking about these new technologies, it is important to keep focus on the larger environmental picture including the fact that right now, while getting better, the production and the disposal of electric batteries pollutes our environment. Chair Breckenridge further noted that while it would likely be possible to build infrastructure to support electric vessels at WETA facilities in Vallejo, it would likely be impossible to do so on the San Francisco waterfront in the near term.

Director Intintoli asked if LNG was a viable option for WETA vessels. Mr. Stahnke noted that LNG challenges included fire hazards and vessel size requirements. He explained that the best option to support LNG fuel for ferries at this time was determined to be an onboard fuel truck to fuel the vessel, with a new truck swapping out the depleted one as needed. Mr. Stahnke explained that this was not an option for WETA vessels because of their size and configuration as passenger only ferries. He said that fire management systems and shoreside infrastructure were also evolving technologies.

Chair Breckenridge asked whether Solano, Contra Costa and Alameda counties were participating in the emergency response tabletop exercises since evacuees could possibly be transported in and out of these counties by WETA after a disaster or emergency event. She added that it will be important for these other counties to be aware and prepared for possible engagement with WETA during emergency response efforts. Program Manager/Analyst Lauren Gularte said these counties were not yet participating but were being invited to all exercises. Chair Breckenridge asked that proactive engagement with these other counties commence to assure WETA's emergency response training is as thorough as possible and includes all of its partner counties in the region.

Director Intintoli asked if the environmental regulations were being lessened by the current White House Administration and Chair Breckenridge said there was presently a focus on NEPA processes with an

objective to collapse permitting processes so they could be completed concurrently instead of in a linear fashion as has been done in the past. She said the State was also working to reduce permitting delays and burdens to eliminate redundancy and better streamline and support new infrastructure projects. Ms. Rannells reminded Directors that she had met with federal representatives early in 2017 to discuss some of the challenges WETA projects had faced in permitting and regulatory processes.

Vice Chair Wunderman said that WETA can be an advocate for both the environment and for regulatory change that ultimately will benefit the environment, such as speeding up positive infrastructure changes that will reduce traffic.

6. CONSENT CALENDAR

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

- a. Board Meeting Minutes – January 18, 2018
- b. Authorize Release of a Request for Proposals for Independent Year End Audit Services
- c. Authorize Release of a Request for Proposals for MV *Scorpio* Quarter-Life Refurbishment Project

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

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

7. APPROVE CONTRACT AWARD FOR INFORMATION TECHNOLOGY SERVICES TO EATON & ASSOCIATES

Administration and Business Services Manager Melanie Jann presented this item to approve contract award for information technology services to Eaton & Associates. Vice Chair Wunderman asked if there was any likelihood that Eaton & Associates will recommend that WETA overhaul its current system during the contract period.

Public Comment

President of Eaton & Associates John Eaton said that WETA currently has a hybrid cloud and server solution system which Eaton & Associates can maintain or overhaul. He said Eaton & Associates keeps up with new technology and works with its partners to assure their infrastructure decisions best meet their needs. He said they create an annual roadmap to look at an organization's present system and plan for its path to the future. When asked about cybersecurity by Chair Breckenridge, Mr. Eaton said he believed that in the last year or two, the WETA system had been upgraded to a corporate level, state of the art firewall system to assure its servers are secure from external threats. He said he also believed that all WETA user devices have malware, antivirus and automatic cache systems to protect them. He added that security can sometimes be tightened to the point of frustrating end users which was not WETA's objective.

Director Intintoli made a motion to approve the item.

Director DelBono seconded the motion and the item carried unanimously.

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

8. APPROVE RESOLUTION OF SUPPORT FOR REGIONAL MEASURE 3 BRIDGE TOLL BALLOT MEASURE

Ms. Rannells presented this item to approve a resolution of support for the Regional Measure 3 bridge toll ballot measure to be placed before the voters in the nine San Francisco Bay Area counties at the June 5, 2018 statewide election.

Madeline Chun of Hanson Bridgett LLP reminded Directors that while the WETA Board can approve this resolution to publicly support RM3 formally, no public funds are to be utilized to campaign for RM3. Ms. Chun clarified that Directors and staff can communicate their own personal feelings about, and support for, the measure in their personal capacities. She further confirmed that Directors can also say they serve on the WETA Board when discussing support for the measure.

Chair Breckenridge noted that the new MV *Argo* was scheduled to be delivered and added to WETA's fleet in the next few months. She suggested that Directors leverage that positive event opportunity to educate the press and the public about WETA's current funding challenges in addition to the enhancements to current commuter service and emergency response preparedness that the MV *Argo* will provide.

Director DelBono suggested that Directors be invited by staff to speak at gatherings such as disaster council and other emergency response meetings to discuss RM3 and share the potential benefits of the measure on WETA's emergency response capabilities.

Director Intintoli made a motion to approve the item.

Vice Chair Wunderman seconded the motion and the item carried unanimously.

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

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

No additional public comments were shared.

All business having been concluded, the meeting was adjourned at 2:25 p.m.

- Board Secretary

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Submission of an Allocation Request to the California Department of Transportation for FY 2017/18 Low Carbon Transit Operations Program Grant Funds

Recommendation

Approve the following actions necessary to secure FY 2017/18 Low Carbon Transit Operations Program (LCTOP) funds to support WETA capital projects:

1. Approve submission of the FY 2017/18 LCTOP allocation request for funds, totaling \$244,602, to support the construction of *Richmond Ferry Vessels*; and
2. Authorize the Executive Director and Finance and Grants Manager to submit and execute all required documents of the LCTOP program with the California Department of Transportation (Caltrans), including the related Certifications and Assurances, on behalf of WETA.

Background

The Low Carbon Transit Operations Program (LCTOP) is one of several programs funded by auction proceeds from the California Air Resource Board's (ARB) Cap-and-Trade Program. Proceeds are deposited into the Greenhouse Gas Reduction Fund (GGRF) and LCTOP receives a five percent continuous appropriation of the annual auction proceeds beginning in FY 2015/16. Funding is assigned annually to public transit operators in the state based on the existing State Transit Assistance revenue and population based formulas.

The LCTOP provides operating and capital assistance for transit agencies to reduce greenhouse gas (GHG) emissions and improve mobility, with a priority on serving disadvantaged communities. Per Senate Bill (SB) 824, approved projects are intended to enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities.

The LCTOP is administered by Caltrans in coordination with Air Resource Board (ARB) and the State Controller's Office (SCO). Caltrans is responsible to ensure that the statutory requirements of the program are met in terms of project eligibility, greenhouse reduction, disadvantaged community benefit, and other requirements of the law.

Discussion

The SCO has released the FY 2017/18 LCTOP Final Draft Guidelines and allocation of funds. Staff has reviewed the program criteria, as established by Caltrans, and worked with the California Air Resources Board staff to identify the new Richmond service vessels as an eligible project for these funds and has completed the required application.

As a condition for the receipt of LCTOP funds, eligible project sponsors must agree to comply with all conditions and requirements set forth in the Certification and Assurances, provided as

Attachment A, and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.

The lead agency is required to submit to Caltrans an Allocation Request for the proposed project it intends to fund with the LCTOP allocation in order to receive its apportionment. This allows the State to release funds annually to the lead agency since apportionments will not be held into the following year and should be treated as use it or lose it.

Fiscal Impact

The *Richmond Ferry Vessels* project is included in the FY 2017/18 Capital Budget at a total project budget of \$46,745,000. The LCTOP will fund \$631,879 (\$264,976 from FY 2015/16, \$122,301 from FY 2016/17, plus \$244,602 from FY 2017/18) of the total cost and the balance will be funded with Federal Transit Administration, State Proposition 1B and Regional Measure 2 funds already secured.

END



Attachment A
FY 2017-2018 LCTOP

Certifications and Assurances

Lead Agency: San Francisco Bay Area Water Emergency Transportation Authority

Project Title: Construct Two New Richmond Ferry Vessels

Prepared by: Lynne Yu

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.
8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).
9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

Certifications and Assurances

C. Reporting

1. The Lead Agency must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
2. Other Reporting Requirements: ARB is developing funding guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with ARB's funding guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs submit to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.



Certifications and Assurances

A. Record Retention

1. The Lead Agency agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.

2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor's LCTOP funded projects at Caltrans' discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

Nina Rannells

(Print Authorized Agent)

Executive Director

(Title)

(Signature)

(Date)

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-08

**AUTHORIZATION FOR THE EXECUTION OF THE
THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) PROJECT:
CONSTRUCT TWO NEW RICHMOND FERRY VESSELS - \$244,602**

WHEREAS, the San Francisco Bay Area Water Emergency Transportation Authority (WETA) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the California Department of Transportation (Caltrans) as the administrative agency for the LCTOP; and

WHEREAS, Caltrans has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, WETA wishes to implement the LCTOP project listed above; now, therefore, be it

RESOLVED, by the Board of Directors of WETA that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents and applicable statutes, regulations and guidelines for all LCTOP funded transit projects; now, therefore, be it

RESOLVED, that Nina Rannells, Executive Director and Lynne Yu, Finance and Grants Manager, be authorized to execute all required documents of the LCTOP program and any Amendments thereto with Caltrans; now, therefore, be it

RESOLVED, by the Board of Directors of WETA that it hereby authorizes the submittal of the following project nomination and allocation request to Caltrans in FY 2017/18 LCTOP funds:

Project Name: *Construct Two New Richmond Ferry Vessels*

Amount of LCTOP funds requested: *\$244,602*

Short description of project: *Two ferry vessels for the new Richmond Ferry Service*

Contributing Sponsors (if applicable): *N/A*

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 March 1, 2018.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2018-08

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize the Executive Director to Execute a Certificate of Acceptance of an Amended Easement from Ford Point LLC Relative to the Richmond Terminal Project and Further Authorize the Executive Director Generally to Execute Certificates of Acceptance for Future Transfers of Similar Grants or Deeds

Recommendation

Authorize the Executive Director to execute a Certificate of Acceptance of an amended easement from Ford Point LLC relative to the Richmond Terminal project, and further authorize the Executive Director generally to execute Certificates of Acceptance for transfers of similar grants or deeds as permitted by Government Code Section 27281.

Background

The *Richmond Ferry Terminal* project includes improvements within property owned by Ford Point LLC. On August 24, 2017, Ford Point LLC granted WETA a temporary easement for construction purposes, as well as a permanent access easement for passenger ingress and egress at the Richmond Ferry Terminal. WETA and Ford Point LLC have now agreed upon the terms of an amendment to that easement in order to facilitate construction on a temporary basis, and to allow for constructing, repairing, maintaining, and using various utility lines on a permanent basis.

Discussion

Government Code Section 27281 requires that WETA record with the County of Contra Costa a Certificate of Acceptance to perfect the amended easement, and requires that the Board adopt a resolution authorizing such recordation. Additionally, the Government Code allows the Board of a government agency to act by Resolution to provide general authority to an agency officer to authorize the recording of a Certificate of Acceptance rather than requiring separate Board action every time the agency accepts a grant or deed. Providing such general authority to the Executive Director will make it more efficient in the future to comply with the formal requirements for recording a Certificate of Acceptance. The draft of the proposed Resolution and the form of the Certificate of Acceptance, provided as **Attachment A**, are attached to this Report.

Fiscal Impact

There is no fiscal impact associated with this item.

END

Attachment A

CERTIFICATE OF ACCEPTANCE (Pursuant to Government Code § 27281)

This is to certify that the interest in real property conveyed by the Amendment to Temporary Construction Easement and Access Easement Agreement dated _____ from Ford Point, LLC to the San Francisco Bay Area Water Emergency Transportation Authority, a governmental agency, is hereby accepted by the undersigned officer on behalf of the Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority (Board) pursuant to authority conferred by resolution of the Board adopted on March 1, 2018, and the San Francisco Bay Area Water Emergency Transportation Authority consents to recordation thereof by its duly authorized officer.

SAN FRANCISCO BAY AREA WATER
EMERGENCY TRANSPORTATION AUTHORITY

Dated as of: _____, 2018

By: _____
Nina Rannells
Executive Director

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-09

AUTHORIZE EXECUTION OF A CERTIFICATE OF ACCEPTANCE OF AN AMENDED EASEMENT FROM FORD POINT LLC RELATIVE TO THE RICHMOND TERMINAL PROJECT AND FURTHER AUTHORIZE THE EXECUTIVE DIRECTOR GENERALLY TO EXECUTE CERTIFICATES OF ACCEPTANCE FOR TRANSFERS OF SIMILAR GRANTS OR DEEDS

WHEREAS, on February 16, 2017, the Board of Directors of the Bay Area Water Emergency Transportation Authority (WETA) accepted a construction and access easement from Ford Point LLC (the Easement) related to the Richmond Terminal Project located at APN 560-181-113-5, Contra Costa County, Richmond, California; and

WHEREAS, WETA and Ford Point LLC have agreed to amend the Easement (i) to expand the property covered by the construction easement and (ii) to accept a permanent easement over additional property for the purpose of constructing, repairing, maintaining, replacing, renewing, and using various utility lines; and

WHEREAS, Section 27281 of the Government Code of the State of California provides that deeds or grants conveying any interest in or easement upon real estate to a public agency for public purposes may not be accepted for recordation without the consent of the grantee, evidenced by a resolution of acceptance attached to said deed or grant; and

WHEREAS, said section further provides that an officer or agent of a public agency may, by general resolution, be authorized to consent to such deeds or grants; now, therefore, be it

RESOLVED that the Board of Directors hereby authorizes the Executive Director to accept, on behalf of WETA, easement deeds from Ford Point LLC in favor of WETA, and to consent to the recordation of same; and be it further

RESOLVED that the Board of Directors authorizes the Executive Director to accept and consent to all future grants and deeds as permitted by Government Code Section 27281.

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 March 1, 2018.

YEA:
NAY:
ABSTAIN:
ABSENT:

/s/ Board Secretary
2018-09
END

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize the Executive Director to Negotiate and Execute a Development and Maintenance Agreement for a Kayak Launch Relative to the Richmond Ferry Terminal Project

Recommendation

Authorize the Executive Director to negotiate and execute a Development and Maintenance Agreement with the City of Richmond and the Richmond Bay Marina, LLC for a new kayak launch relative to the Richmond Ferry Terminal Project.

Background

The Richmond Ferry Terminal Project (Project) is being developed to establish a new ferry route between the City of Richmond (City) and downtown San Francisco. The Project includes construction of a new fixed pier/passenger waiting area, a new gangway and passenger loading float and improvements to an adjacent shared parking area. The project also includes demolition of an existing public kayak launch adjacent to the terminal site and construction of a new kayak launch site at the nearby Marina Bay Yacht Harbor.

In February 2017, the WETA Board of Directors approved several real estate agreements required to construct, operate and maintain the new Richmond ferry terminal. These included a lease with the City of Richmond for the use of the terminal area, a shared use and maintenance agreement with Ford Point for the construction and maintenance of the parking area, and a temporary construction, maintenance and facility easement with Ford Point to allow WETA to construct, maintain and access project facilities located within the Ford Point property. An additional agreement is required to support construction and maintenance of the new kayak launch.

Discussion

WETA has worked closely with the City, the Richmond Bay Marina, LLC (Marina) and the San Francisco Bay Area Water Trail to develop the design for the kayak launch as a part of the Richmond Ferry Terminal construction project. The City is the property owner and the Marina has a long term lease over the property allowing it to operate the marina. The final design is nearly complete and will be submitted to the Bay Conservation and Development Commission to be included in the project permit.

In order for WETA to construct the new kayak launch facility, an agreement is required between WETA, the City and the Marina. A draft agreement has been developed, provided in draft form as **Attachment A**, that allows WETA and its contractor to access the property and construct the kayak launch facility. Under this agreement, WETA will be responsible for all

costs associated with construction of the facility. After construction, the agreement obligates the Marina to maintain the kayak launch and pay future taxes and assessments related to the improvements.

According to Section 503.4 of the WETA Administrative Code, Board authorization is required because the agreement includes indemnification obligations.

Fiscal Impact

The *Richmond Ferry Terminal* project is included in the FY 2017/18 Capital Budget at a total cost of \$20 million. The cost to construct the new kayak launch facility is included in the project budget.

END

DEVELOPMENT AND MAINTENANCE AGREEMENT

(MARINA BAY KAYAK FLOAT LAUNCH)

THIS DEVELOPMENT AND MAINTENANCE AGREEMENT (“**Agreement**”) is made this February ___, 2018 (the “**Effective Date**”), by and among the City of Richmond, a municipal corporation and charter city (“**City**”), San Francisco Bay Area Water Emergency Transportation Authority, a California public entity created pursuant to Government Code Section 66540 *et seq.* (“**WETA**”), and Richmond Bay Marina, LLC, a California limited liability Company (“**Marina**”). City, Marina and WETA shall be referred to herein from time to time as a “**Party**” and together as the “**Parties**”.

RECITALS

A. City and Marina entered into that certain Agreement of Marina Lease dated July 1, 2000, as amended pursuant to that certain Amendment to the Agreement of Marina Lease dated May 13, 2005 (collectively, the “**Marina Lease**”), pursuant to which Marina leases and operates the Premises (as defined in the Marina Lease) as a marina and yacht harbor. The Premises are depicted on **Exhibit A**.

B. City and WETA entered into that certain lease dated August 24, 2017 (the “**Ferry Lease**”) pursuant to which WETA has or will soon construct, maintain, repair and operate a ferry terminal (the “**Richmond Ferry Terminal**”) for commuter service to and from San Francisco, California (the “**Richmond Ferry**”). As part of the Improvements (as defined in the Ferry Lease) set forth in the Ferry Lease, WETA is required to demolish the existing kayak facility near the Richmond Ferry Terminal, and to develop and construct a replacement kayak gangway and floating dock facility (the “**Kayak Launch**”) in or about the Richmond Marina Bay area.

C. The Parties have determined that the Kayak Launch should be located within the Premises, at the location shown on **Exhibit A**.

D. The Parties are entering into this Agreement to delineate their respective responsibilities and obligations for completion of the Kayak Launch within the Premises.

NOW THEREFORE, in consideration of the foregoing and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

CONSTRUCTION OF THE KAYAK LAUNCH IMPROVEMENTS

1.1 Kayak Launch Improvements. The term “**Kayak Launch Improvements**” means the kayak launch facility improvements to be designed and constructed by WETA within the Premises at the location shown on Exhibit A (the “**Kayak Launch Location**”). The Kayak Launch Improvements shall be performed pursuant to the plans and specifications prepared by Manson Construction and COWI Marine North America last revised XXXX, attached hereto as **Exhibit B** (the “**Construction Plans**”) and as approved by City and Marina. Marina hereby

approves and consents to the construction of the Kayak Launch Improvements at the Kayak Launch Location.

(a) City and Marina, jointly and severally, represent and warrant that the condition of the Kayak Launch Location is suitable for the purpose of constructing the Kayak Launch Improvements. WETA shall have no responsibility to undertake any environmental remediation of the Premises before commencement of construction of the Kayak Launch Improvements and after WETA's receipt of City's Certificate of Completion.

1.2 WETA Responsibilities. WETA shall be solely responsible for the design, cost, and completion of the Kayak Launch Improvements. WETA shall obtain all necessary permits and approvals to construct the Kayak Launch Improvements.

1.3 Right to Enter the Premises. Marina hereby grants to WETA and its agents, employees, consultants and contractors an irrevocable, non-exclusive license and right to enter the Premises (the "**WETA License**") as necessary to construct the Kayak Launch Improvements at the Kayak Launch Location.

(a) The term of the WETA License ("**Term**") shall commence on the Effective Date and terminate when City has issued the Certificate of Completion in accordance with this Agreement.

(b) Marina shall not take any action that would materially interfere with WETA's ability to construct the Kayak Launch Improvements.

(c) Following completion of the Kayak Launch Improvements, WETA will remove all equipment and waste materials resulting from WETA's construction of the Kayak Launch Improvements from the Premises.

1.4 Laws and Regulations.

(a) WETA shall construct the Kayak Launch Improvements in accordance with the all applicable permits and approvals, including use permits required by governmental authorities, including the City of Richmond, Bay Area Air Quality Management District ("**BAAQMD**") and Bay Conservation and Development Commission ("**BCDC**").

(b) WETA shall cause all work performed in connection with construction of the Kayak Launch Improvements to be performed in compliance with (i) all applicable laws, ordinances, rules and regulations now in force or that may be enacted hereafter; (ii) all conditions of Kayak Launch Improvements approval and mitigation measures included in any adopted or certified environmental document prepared for the Kayak Launch Improvements; and (iii) all directions, rules and regulations of any fire marshal, health officer, building inspector, or other officer of every governmental agency now having or hereafter acquiring jurisdiction, including the City of Richmond, BAAQMD and BCDC, provided that such direction given during construction does not conflict with conditions of Kayak Launch Improvements approval or mitigation measures.

(c) WETA shall and shall cause its contractors and subcontractors to pay

prevailing wages in the construction of the Kayak Launch Improvements as those wages are determined pursuant to Labor Code Sections 1720 *et seq.*, and implementing regulations of the Department of Industrial Relations, and to comply with all other applicable federal, State and local laws, regulations and ordinances pertaining to labor standards insofar as those laws, regulations and ordinances apply to the performance of this Agreement, including any applicable City of Richmond employment requirements, including but not limited to the City's Living Wage Ordinance (Richmond Municipal Code Chapter 2.60), the City's Business Opportunity Ordinance (Richmond Municipal Code Chapter 2.50), and the City's Local Employment Program Ordinance (Richmond Municipal Code Chapter 2.56). During the construction of the Kayak Launch Improvements, WETA shall post at the construction site the applicable prevailing rates of per diem wages. WETA shall indemnify, hold harmless and defend City against any claims for damages, compensation, fines, penalties or other amounts arising out of failure or alleged failure of any person or entity (including WETA and its subcontractors) to pay prevailing wages in connection with construction of the Kayak Launch Improvements. This Section 1.4(c) shall survive the termination of this Agreement.

(d) WETA and all its contractors and subcontractors shall maintain accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker and others employed on the Kayak Launch Improvements. Each payroll record shall contain or be verified by a written declaration made under penalty of perjury, stating both of the following: (1) the information contained in the payroll record is true and correct, and (2) the employer has complied with the requirements of Labor Code Section 1771 (prevailing wage provisions), Section 1811 (eight-hour day, forty-hour week provisions), and Section 1815 (overtime compensation) for any work performed by his or her employees on the Kayak Launch Improvements. WETA shall provide certified payroll records to City's Employment and Training Department each week, no later than ten (10) days after the end of a weekly pay period. Pay records shall be maintained and made available in accordance with Labor Code Section 1776. In addition, WETA shall and shall cause its contractors and subcontractors promptly to deliver to City, upon request, documents verifying compliance with the Living Wage Ordinance, which include documents which evidence that each affected employee has been notified regarding the wages required to be paid pursuant to the Living Wage Ordinance. Such wages shall also be posted at the construction site. This Section 1.4(d) shall survive the termination of this Agreement.

1.5 Inspections. Upon at least 24 hours' written notice, WETA shall permit and facilitate, and shall require its contractors and subcontractors to permit and facilitate, observation and inspection of Kayak Launch Improvements by City and by public authorities, at City's expense, at all reasonable times for the purposes of determining compliance with this Agreement and permits issued to perform the Kayak Launch Improvements. In so doing, WETA shall provide access for testing and inspections. WETA shall coordinate and schedule all testing and inspections required on the Kayak Launch Improvements with City and all public authorities with jurisdiction over the Kayak Launch Improvements.

1.6 Equal Opportunity.

(a) During the construction of the Kayak Launch Improvements, there shall be no discrimination on the basis of race, color, creed, religion, age, sex, sexual orientation, marital status, national origin, ancestry, or disability in the hiring, firing, promoting, or demoting of any person engaged in the construction work.

(b) WETA agrees to observe the provisions of Section 2.28.030 of the Richmond Municipal Code, obligating WETA and its contractors and subcontractors to refrain from discriminatory employment or subcontracting practices on the basis of race, color, sex, sexual orientation, religion, creed, national origin or ancestry of any employee, any applicant for employment or any potential subcontractor.

1.7 Working Hours. Eight hours of labor is a legal day's work. Any worker's time of service is restricted to eight hours during any calendar day, and 40 hours during a calendar week, unless overtime compensation is paid at not less than one and one-half times the basic rate of pay. WETA shall be assessed a penalty of twenty-five dollars (\$25) for each day a worker is employed in violation of these requirements.

1.8 Bond Requirements. Prior to commencing construction of the Kayak Launch Improvements, WETA shall maintain builder's risk insurance in an amount no less than the value of the completed work on an all-risk basis, covering all perils then customarily covered by such insurance. In addition, WETA will obtain performance and payment bonds from its contractor(s) performing the Kayak Launch Improvements in an amount no less than the total cost of such work. WETA shall, prior to the commencement of the Kayak Launch Improvements, furnish to City copies of such performance and payment bonds. Upon completion of the Kayak Launch Improvements, WETA shall deliver to City evidence satisfactory to City of full payment therefor and full and unconditional waivers and releases of liens for all labor, services and/or materials used (collectively, "**Evidence of Completion**"). WETA shall present to City and maintain on site at all times one (1) full set of WETA's construction documents which have been accepted by City and endorsed with the approval stamp and permit number of all governmental agencies having jurisdiction over the Kayak Launch Improvements. Such documents shall be carefully annotated to reflect any material deviations in the work "as-built" from that initially shown, and upon completion of the Kayak Launch Improvements, WETA shall cause reproducible drawings and electronic files to be delivered to City which describe accurately all of WETA's work as built. All plans, drawings, specifications and/or construction documents (the "**Improvements Documents**") provided hereunder shall be copied for and delivered to City and Marina upon completion.

1.9 Insurance Requirements.

(a) In accordance with California Labor Code Section 3700, WETA and its contractors and subcontractors must secure Workers' Compensation coverage for its employees. Prior to commencing construction of the Kayak Launch Improvements, WETA must execute a certification in the form set out at California Labor Code Section 1861.

(b) WETA shall submit to City evidence of the insurance coverage meeting the requirements set forth in insurance coverage as required in **Exhibit C**, “City of Richmond-Insurance Requirements – Type 1: Consultants and Contractors” (the “**Insurance Requirements**”).

(c) WETA shall require and verify that all contractors and subcontractors or other parties hired for the Kayak Launch Improvements purchase and maintain coverage for indemnity and insurance at least as broad as specified in the Insurance Requirements to the extent they apply to the scope of the contractor’s and subcontractor’s work with the same certificate of insurance requirements and naming as additional insureds all parties to this Agreement. WETA shall include the following language in their agreement(s) with contractors and subcontractors: “Contractors and subcontractors hired by WETA agree to be bound to WETA and City in the same manner and to the same extent as WETA is bound to City under the Development Agreement and provide a valid certificate of insurance and the required endorsements included in the agreement as proof of compliance prior to commencement of any work and to include this same requirement for any subcontractors they hire for this work. A copy of the insurance and indemnity requirements of the Development Agreement will be furnished to the contractor and subcontractor upon request.” WETA shall have furnished the City with evidence of the insurance coverage meeting the insurance requirements set forth in the Insurance Requirements for each contractor and subcontractor prior to initiating any work on the Kayak Launch Improvements, including builder’s risk insurance with appropriate coverage for the cost of construction.

(d) Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth in the Insurance Requirements shall be available to City as an additional insured. Furthermore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in the Insurance Requirements; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater. No representation is made that the minimum insurance requirements set forth in the Insurance Requirements are sufficient to cover the obligations of WETA under this Agreement.

1.10 Senate Bill 854 Notice Requirements.

As provided in SB 854 (Stats. 2014, ch. 28): (a) no contractor or subcontractor may be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the California Public Contracts Code, or engage in the performance of any contract for public work, unless currently registered with DIR and qualified to perform public work pursuant to California Labor Code Section 1725.5 (Lab. Code §1771.1(a)); (b) no contractor or subcontractor may be awarded a public works contract unless registered with the DIR to perform public work pursuant to Labor Code Section 1725.5 (Lab. Code §1771.1(b)); and (c) work performed on the project is subject to compliance monitoring and enforcement by DIR (Lab. Code §1771.4).

1.11 Job Site Notices.

WETA shall post at the job site notices in compliance with Title I California Code of Regulations Section 16451.

1.12 Municipal Code Chapter 2.65 Requirements.

WETA shall comply with Chapter 2.65 of the Richmond Municipal Code banning the requirement to provide information of prior criminal convictions on employment applications.

1.13 City Acceptance of Kayak Launch Improvements; Certificate of Completion.

Upon City's receipt of the Evidence of Completion and the Improvements Documents, City shall accept the Kayak Launch Improvements. Within ten (10) business days of City's receipt of the Evidence of Completion and the Improvements Documents, City will issue to WETA an instrument certifying the completion of the Kayak Launch Improvements, in the form attached hereto as **Exhibit D** (the "**Certificate of Completion**"). The issuance of the Certificate of Completion shall constitute a conclusive determination that the terms and conditions of this Agreement with respect to the obligations of WETA to construct the Kayak Launch Improvements have been met. The Certificate of Completion shall be in such form as will enable it to be recorded among the Official Records of Contra Costa County, California. Upon City's issuance of the Certificate of Completion, WETA shall have no further obligation or liability arising out of or in connection with this Agreement; provided, however, that nothing herein shall be deemed to release or discharge WETA from those obligations that expressly survive the termination of this Agreement, including those claims made by a third party for which City has a claim of defense and indemnity against WETA.

ARTICLE 2

MARINA'S OBLIGATIONS POST CONSTRUCTION

2.1 Maintenance of Kayak Launch Improvements. Upon issuance of the Certificate of Completion, Marina shall be solely responsible, at its sole cost and expense, for the ongoing maintenance and repair of the Kayak Launch Improvements. Marina will maintain the Kayak Launch Improvements in good condition and repair pursuant to the Marina Lease, and in conformity with all applicable federal, state and local laws and regulations pertaining to the Kayak Launch Improvements. This Section 2.1 shall survive the termination of this Agreement.

2.2 Taxes and Assessments. Pursuant to the Marina Lease, Marina shall pay all real and personal property taxes, including possessory interest taxes, other taxes assessed against the Kayak Launch Improvements, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Kayak Launch Improvements. This Section 2.2 shall survive the termination of this Agreement.

ARTICLE 3

INDEMNIFICATION OBLIGATIONS

3.1 Indemnification by WETA. WETA shall indemnify, defend, protect, and hold harmless City and Marina and their affiliates, directors, officers, partners, members, agents and employees (each, an "**City Indemnified Parties**") against any and all liabilities, losses, costs, claims, demands, actions, penalties, fines, damages and expenses, including, without limitation, any direct, indirect or consequential loss, liability, damage, or expense, court costs and attorneys' fees ("**Claims**"), to the extent any such Claim arises out of or is in connection with WETA's

entry onto the Premises and performance of or failure to perform its obligations to complete construction and development of the Kayak Launch Improvements, in the manner and within the time periods, and to otherwise perform any covenants, set forth in this Agreement. However, in no event shall any City Indemnified Party be indemnified hereunder for any Claims resulting from such party's gross negligence or willful misconduct. This Section 3.1 shall survive the termination of this Agreement.

3.2 Indemnification by City. City shall indemnify, defend and hold harmless WETA and its affiliates, directors, officers, employees, contractors, agents and representatives ("**WETA Indemnified Parties**") from and against any and all Claims to the extent any such Claim arises out of or is in connection with (a) the Kayak Launch Improvements after the Certificate of Completion is issued to WETA, provided that the City will have no obligation to indemnify the WETA Indemnified Parties to the extent that a Claim arises out of WETA's negligent construction or design of the Kayak Launch Improvements; (b) any entry upon the Premises by City or other public authorities for inspection purposes as described in Section 1.5 above, or c) the presence, release, use, generation, discharge, storage or disposal of any Hazardous Materials on, under, in or about the Premises. This Section 3.2 shall survive the termination of this Agreement.

In the event any Hazardous Materials are discovered by WETA or otherwise determined to be present on the Premises during WETA's construction of the Kayak Launch Improvements, WETA will notify City of the presence of such Hazardous Materials. Upon receipt of WETA's notice of discovery of Hazardous Materials, the parties agree to meet and confer in good faith to develop a remediation plan.

3.3 Hazardous Materials. As used herein, "**Hazardous Materials**" means any substance, material, or waste which is or becomes regulated by any local, state or federal authority or governmental body, including any material or substance which is: (i) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25105, 25107 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) friable asbestos; (vii) polychlorinated biphenyls; (viii) listed under Article 9 or defined as "hazardous" or "extremely hazardous" pursuant to Article 10 of Title 22 of the California Administrative Code, Division 4, Chapter 20; (ix) designated as "hazardous substances" pursuant to Section 310 of the Clean Water Act (33 U.S.C. §1317); (x) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901, *et seq.* (42 U.S.C. §6903); or (xi) defined as "hazardous substances" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §9601, *et seq.*, as the foregoing statutes and regulations now exist or may hereafter be amended.

3.4 Indemnification by Marina. Marina will indemnify, defend, and hold harmless the WETA Indemnified Parties and City Indemnified Parties against any and all Claims to the extent any such Claim arises out of or is in connection with the Kayak Launch Improvements after the Certificate of Completion is issued to WETA, provided that the Marina will have no obligation to indemnify the WETA Indemnified Parties to the extent that a Claim arises out of WETA's negligent construction or design of the Kayak Launch Improvements. This Section 3.4 shall survive the termination of this Agreement.

ARTICLE 4 GENERAL PROVISIONS

4.1 Termination. Except for those provisions that expressly survive the termination of this Agreement, the provisions of this Agreement shall automatically terminate upon WETA's receipt of City's Certification of Completion.

4.2 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the executing parties and their respective successors, assigns, heirs, executors and administrators.

4.3 Costs and Attorneys' Fees. If any Party brings or commences any legal action or proceeding to enforce any of the terms of this Agreement (or for damages by reason of an alleged breach of this Agreement), the prevailing party in such action shall be entitled to recovery of all costs and expenses of litigation, including reasonable attorneys' fees and costs, as part of its judgment. The prevailing party shall also be entitled to recovery of all costs and expenses, including reasonable attorneys' fees, in enforcing any judgment awarded to it and on appeal.

4.4 Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed, either by the parties hereto or by any third party, to create the relationship of principal and agent or create any partnership, joint venture or other association between the Parties.4.5

4.5 Notices. All notices, including deliveries of documentation (i.e., plans and contracts) for review and approval herein shall be sent by a Party or its counsel by personal delivery, a reputable overnight courier which keeps receipts of delivery (such as UPS, CalOvernight, or Federal Express), or through the facilities of the United States Post Office, postage prepaid, certified or registered mail, return receipt requested. Any such notice shall be effective upon delivery, if delivered by personal delivery or overnight courier, and seventy-two (72) hours after dispatch, if mailed in accordance with the above. Notices to the respective parties shall be sent to the following addresses unless written notice of a change of address has been previously given pursuant hereto:

To WETA: Pier 9 Suite 111, The Embarcadero
San Francisco, CA 94111
Attn: Executive Director

To Marina: 1340 Marina Way South
Richmond, CA 94804
Attn: Harbormaster

To City: City of Richmond
450 Civic Center Plaza
Richmond, CA 94804
Attn: City Manager

with a copy to: City of Richmond
450 Civic Center Plaza
Richmond, CA 94804
Attn: City Attorney

Any enclosure to a notice, including construction plans and due diligence documents relating to a document submittal, need only be sent to the Parties so indicated for such materials above, with all other notice parties to receive cover letter only.

4.6 Consents. Whenever in this Agreement a Party is, or may be, called upon to give its consent or approval to any action, except as otherwise specifically provided herein, the consent or approval shall not be unreasonably withheld, conditioned or delayed. All approvals, elections and consents contemplated by this Agreement shall be in writing signed by an authorized representative of the Party granting such approval or consent or making such election. Any approval, consent or election which is not in writing shall not be effective.

4.7 Time Periods. Time is of the essence in each Party's performance of its obligations under this Agreement.

4.8 Exhibits. Each exhibit attached hereto and referred to in this Agreement is hereby incorporated by reference as though set forth in full where referred to (by letter or description) herein. The exhibits and schedules consist of:

- Exhibit A: Depiction of the Premises
- Exhibit B: Scope of Kayak Launch Improvements
- Exhibit C: City of Richmond- Insurance Requirements – Type 1: Consultants and Contractors
- Exhibit D: Certificate of Completion

4.9 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

4.10 Applicable Law. This Agreement shall be governed by California law. This Agreement is made in Contra Costa County, California, and any action relating to this Agreement shall be instituted and prosecuted in the courts of Contra Costa County, California.

4.11 Severability. If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

4.12 Default. If any Party defaults in the performance of any of the covenants, conditions or agreements contained in this Agreement and such default is not cured within thirty (30) days following written notice from the non-defaulting Party, then the defaulting Party shall be deemed to have breached the Agreement. Upon the occurrence of an uncured default, the non-defaulting Party shall have, in addition to all other remedies at law or equity, the right to immediately terminate this Agreement.

4.13 Entire Agreement. This Agreement (including the Exhibits attached hereto) contains the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous representations, statements, understandings, negotiations and agreements, oral or written, among the Parties, if any, with respect thereto. No provision of this Agreement may be amended except by an agreement in writing signed by the Parties hereto or their respective successors in interest.

4.14 Force Majeure. Notwithstanding anything to the contrary contained herein, if a Party fails to perform any of its respective obligations hereunder by virtue of any delay resulting from strikes, lockouts, earthquakes, floods, unavailability of materials or customary facilities, equipment or supplies, governmental building moratoriums, governmental or administrative action or inaction, acts of terror, riot, insurrection, inclement weather, mob violence or civil commotion, war, acts of God or acts beyond the reasonable control of such Party (except financial inability), such Party shall not be in default hereunder and such Party's performance shall be correspondingly delayed. Any extension pursuant to this Section 4.15 shall be for a period equal to the actual length of such delay, together with any time reasonably required by such Party to re-plan, re-bid or otherwise re-commence the Kayak Launch Improvements as a result of such delay.

4.15 Third Party Beneficiary. There shall be no third party beneficiaries to this Agreement.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

CITY:

The City of Richmond, a municipal corporation and charter city

By: _____

Name: _____

Its: _____

Attest:

By: _____

City Clerk

Reviewed by:

By: _____

City Attorney

WETA:

San Francisco Bay Area Water Emergency Transportation Authority, a California public entity created pursuant to Government Code Section 66540 *et seq.*

By: _____

Name: _____

Its: _____

Approved as to Form:

By: _____

WETA Counsel

MARINA:

Richmond Bay Marina, LLC, a California limited liability corporation

By: _____

Name: _____

Its: _____

EXHIBIT A

Depiction of Premises

DRAFT

EXHIBIT B

Scope of Kayak Launch Improvements

DRAFT

EXHIBIT C

City of Richmond- Insurance Requirements – Type 1: Consultants and Contractors

DRAFT

EXHIBIT D

Certificate of Completion

DRAFT

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-10

AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A DEVELOPMENT AND MAINTENANCE AGREEMENT FOR A KAYAK LAUNCH RELATIVE TO THE RICHMOND FERRY TERMINAL PROJECT

WHEREAS, the Bay Area Water Emergency Transportation Authority (WETA) is constructing the Richmond Terminal (Project) to establish a new ferry route between the City of Richmond (City) and downtown San Francisco; and

WHEREAS, the Project includes removal of an existing kayak launch ramp and construction of a new kayak launch at the nearby Marina Bay Yacht Harbor; and

WHEREAS, the new kayak launch facility will be located on City-owned property that is under a long-term lease with Richmond Bay Marina, LLC (Marina); and

WHEREAS, WETA has worked with the City, the Marina and the San Francisco Bay Area Water Trail to develop the new kayak launch and is ready move to final design, permitting and construction of this new facility; and

WHEREAS, a Development and Maintenance Agreement (Agreement) has been developed to allow WETA and its contractor to access the property and construct the kayak launch facility and that obligates the Marina to maintain the kayak launch and pay future taxes and assessments related to the improvements; and

WHEREAS, Section 503.4 of the WETA Administrative Code requires Board authorization of the Agreement because it includes indemnification obligations for WETA; now, therefore, be it

RESOLVED that the Board of Directors authorizes the Executive Director to negotiate and execute a Development and Maintenance Agreement for a new kayak launch relative to the Richmond Ferry Terminal 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 March 1, 2018.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2018-10

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Contract Award to Bay Ship & Yacht Co. for Dry Dock and Engine Replacement Work on the MV *Bay Breeze*

Recommendation

Approve contract award to Bay Ship & Yacht Co. for dry dock and engine replacement work on the MV *Bay Breeze* in an amount not to exceed \$210,000, and authorize the Executive Director to negotiate and execute an agreement for these services and take any other such related actions to support this work.

Background

The MV *Bay Breeze* engine refit is planned for Spring 2018 and will be coordinated with the vessel's required periodic United States Coast Guard (USCG) dry-docking and inspection. WETA is currently under contract with Valley Power systems, through a contract awarded by the Board of Directors in May 2017, to complete the overhaul of the two main engines for the MV *Bay Breeze*. The Port engine has been removed and rebuilt by Valley Power and is ready for reinstallation into the vessel. This contract will provide shipyard services to remove and replace the starboard main engine with WETA's factory rebuilt swing engine and complete required periodic dry dock inspections and general service work.

Discussion

The Request For Proposals (RFP) was released on February 12, 2018. Notice of this RFP was sent to WETA's mailing list, posted on the WETA website, and advertised in the *San Francisco Chronicle*.

On February 14, 2018, WETA hosted an optional Pre-Proposal Conference at Pier 9 which was attended by individuals representing one (1) shipyard. WETA staff issued one addenda to the original RFP. Proposals were due to WETA on or before February 21, 2018.

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 and management plan, team qualifications, shipyard production abilities, and experience and references. Total price amounted to 40 percent of the total possible score.

A total of one proposal was received from Bay Ship & Yacht located in Alameda. This proposal was reviewed and determined to be compliant with the bid and technical specifications. In accordance with WETA's Administrative Code and Federal Transit Administration (FTA) guidance related to single bids, staff determined that the RFP was adequately advertised and the specifications were not unduly restrictive, and completed a cost analysis of the proposal to ensure that the proposed price was fair and reasonable. Bay Ship & Yacht is well qualified to complete this work as they have successfully completed similar work on the MV *Bay Breeze* and various other WETA vessels.

Accordingly, staff recommends awarding a contract to Bay Ship & Yacht Co. in an amount not to exceed \$210,000, which includes a 15 percent owner's contingency to allow for additive changes for work not yet identified but that may be necessary to satisfactorily complete the project. If approved, staff will proceed to move the project forward so that this shipyard work can be completed in April 2018.

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 and has determined that they have complied with the DBE requirements for this contract.

Fiscal Impact

This work is included in the FY 2017/18 Capital Budget as a part of the *Vessel Engine Overhaul - MV Bay Breeze* project and is funded with Federal Transit Administration grant funds and Regional Measure 1 – 2 percent capital funds.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-11

APPROVE THE AWARD OF A CONTRACT TO BAY SHIP & YACHT CO. FOR MV *BAY BREEZE* DRY DOCK AND ENGINE REPLACEMENT PROJECT

WHEREAS, San Francisco Bay Area Water Emergency Transportation Authority (WETA) has established the Vessel Engine Overhaul – MV *Bay Breeze* 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 February 12, 2018, WETA issued a Request for Proposals (RFP) for the MV *Bay Breeze* Dry Dock and Engine Replacement 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 \$210,000 which includes a fifteen percent (15%) 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 \$210,000; 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 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 March 1, 2018.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2018-11

END

MEMORANDUM

TO: Board Members

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

**SUBJECT: Approve Contract Award to Glosten for Vessel Construction
Management Services**

Recommendation

Staff recommends that the Board of Directors approve contract award to Glosten for Construction Management Services to support construction of a new high speed vessel in an amount not to exceed \$730,000 and authorize the Executive Director to negotiate and execute a final contract and take any other such related actions to support this work.

Background

At its December 7, 2017, meeting, the WETA Board of Directors authorized staff to move forward with the necessary actions to design and build a new 250 passenger high speed, shallow draft vessel that will establish a new class of WETA vessel with the versatility to support WETA's diverse system of services. Authorizations included issuing a Request for Proposals (RFP) for vessel design and construction.

Discussion

Staff issued an RFP for services on January 2, 2018, to firms on the WETA's technical consultant list through email and further solicited interest through notices on the WETA website and advertisement in the S.F Chronicle and through the Passenger Vessel Association. WETA held a pre-proposal conference on January 17, 2018, attended by seven potential vendors. On February 22, 2018, WETA received a total of five (5) proposals in response to the RFP.

Selection criteria for the contract, as established within the RFP, included the following:

1. Understanding of Project Objectives

Criteria - understanding of services required and significance to WETA; identification of additional tasks not listed in scope of services that may be required to complete the project.

2. Technical and Management Approach

Criteria - knowledge of reviewing agencies and the role they will play in process; potential impacts to cost, scope, and schedule based on lessons learned; recommendations to lower/control costs given proposed scope of project; approach to working with WETA staff and consultants.

3. Capabilities and Experience of Proposed Staff

Criteria - qualifications and experience of proposed team, emphasizing specific qualifications and experience acquired.

4. Organization of the Team

Criteria - completeness, efficiency, logic, availability.

An evaluation panel reviewed and scored the proposals based upon these criteria. The results of the review are summarized in Table 1 below.

Table 1 – Scoring

	Firms				
	<i>Technology Associates</i>	<i>Elliot Bay Design Group</i>	<i>Federated Maritime</i>	<i>Crowley Solutions</i>	<i>Glosten</i>
Understanding of Project Objectives	7	8	5	6	9
Technical and Management Approach	20	23	15	18	23
Capabilities and Experience of Staff	49	54	27	45	54
Organization of Team	4	4	2	4	5
Technical Score	80	89	49	73	91

Based upon the submittal evaluation and scoring, the review panel has identified Glosten as the most qualified firm to perform this work. Glosten received the highest rating in all review areas and was especially strong in their proposed technical approach and team organization and references. The Glosten team has extensive experience working on similar projects.

The work under this contract will include such items as preparation of technical specifications, vessel construction management and oversight, and warranty administration. The construction management tasks will include inspection and testing services throughout all phases of construction

The recommended contract award is for an amount not to exceed \$730,000 which represents approximately 5.2% of the estimated vessel construction cost and is on par with the cost of other similar projects implemented by WETA. The work under this contract will be managed by task orders issued by WETA staff within the overall contract limit.

Fiscal Impact

The *New High-Speed Vessel* project is included in the FY 2017/18 Capital Budget with a total budget of \$14,000,000, including \$750,000 for expenditure in FY 2017/18. This project is funded with Proposition 1B and Regional Measure 1 funds.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2018-12

**APPROVE CONTRACT AWARD TO GLOSTEN FOR VESSEL CONSTRUCTION
MANAGEMENT SERVICES**

WHEREAS, the San Francisco Bay Area Water Emergency Transportation Authority (WETA) authorized release of a Request for Qualifications (RFQ) for new vessel construction management services at its December 7, 2017 meeting; and

WHEREAS, WETA has established procedures in its Administrative Code relating to the selection and contracting of consulting services, solicitation, and evaluation of qualifications; and

WHEREAS, WETA followed the procedures specified in its Administrative Code regarding solicitation and evaluation of qualifications; and

WHEREAS, as the result of the process, WETA staff recommends award of a contract to Glosten in the amount of \$730,000, with actual expenditures to be authorized within this amount on a task order basis now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into an agreement with Glosten for new vessel engineering and construction management services for a total amount not to exceed \$730,000 and authorizes the Executive Director to negotiate and execute an agreement for these services and take any other such related actions to support this work.

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 March 1, 2018.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2018-12

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning and Development
Keith Stahnke, Manager, Operations

SUBJECT: Authorize Staff to Proceed with an Exploratory Study of Potential WETA Small Vessel Operations

Recommendation

Authorize staff to move forward with an exploratory study, to be conducted by an external consultant, of potential WETA small vessel operations.

Background

At both the January and February Board meetings, WETA Board members discussed the possibility of utilizing smaller-capacity vessels as an area to explore for future development. The discussions were in response to a January 10, 2018 letter, provided as **Attachment A**, directed to the WETA Executive Director from the Bay Area Council (BAC), which encouraged WETA to explore the possibility of utilizing small vessels to deliver a wider variety of services and to continue to consider and analyze new and emerging clean propulsion technologies as plans are made to expand WETA's vessel fleet in the future. On February 16, WETA staff received a letter from the City Manager of the City of Martinez, provided as **Attachment B**, encouraging the agency to study the use of smaller vessels, as proposed by BAC, to initiate new Martinez service.

This memorandum proposes an approach to analyzing the possibility of utilizing small vessels as a part of WETA's service. A separate effort to further explore and analyze alternative propulsion technology for future WETA vessels will be developed as a separate effort.

Discussion

WETA's 2016 *Strategic Plan* acknowledges the recent emergence of private, small vessel operators and the potential that WETA could partner with these operators or operate its own fleet of small vessels in the future. Strategic Plan Objective A.vi states:

Outreach to private operators of ferry service and other transportation innovators to explore opportunities for collaboration in providing service to underserved or non-competitive markets.

At this time, there are two private small vessel operators providing service in San Francisco Bay. Tideline operates commute service from Berkeley to San Francisco for monthly subscribers and the general public. Tideline also provides on-demand water taxi service on the San Francisco waterfront and multiple other Bay Area destinations. PropSF provides contract charter service for Genentech employees to South San Francisco from origin terminals in Tiburon, Berkeley, Benicia and other locations. For both operators, vessel sizes range from 22 to 60 passengers with the possibility of building vessels up to 100 passengers.

Proposal: Conduct a small vessel exploratory study

Staff proposes to conduct a study of the many potential applications for small vessels to better understand how and whether small vessel service can fulfill WETA's mission as defined in the Strategic Plan. To do this, staff suggests that a transportation consultant be engaged and a subcommittee of the Board be assembled to help define a scope, conduct the study and develop a recommendation. Semi-regular meetings will be held to share draft results and allow staff and the subcommittee to direct the effort as the analysis is underway. It is estimated that the study could be completed in approximately six months once a consultant has been engaged.

The transportation consultant would have the skill necessary to provide a concept-level analysis of small vessel services and operational needs, and develop associated capital and operating cost estimates. Ridership would be estimated based on available data and the limitation of the vessel size.

Possible areas of study

The Board committee will help to develop a work scope for the transportation consultant. Some example areas of exploration may include the following:

- 1) Areas of low demand. There are cities that desire ferry service where the demand may not yet be sufficient to warrant the capital and operating costs that go along with standard WETA mass transit facilities and vessels. A smaller vessel has the potential to match these low demand origins with a vessel and facilities that are less expensive.
- 2) Periods of low demand. There are periods throughout the day when demand is lower than during the peak commute period. Lower demand late night, midday or early morning periods may prove a good match for the use of smaller vessels if operationally feasible.
- 3) Areas inaccessible to standard WETA vessels. Dredging is a barrier to ferry service in shallow areas given the draft of standard WETA vessels. It may be possible to introduce small vessel service to hard-to-access shallow areas as a means of providing direct ferry service or connecting service to larger WETA terminals.
- 4) Capacity relief. Especially in today's operating environment, WETA services experience leave-behinds at peak periods or high volume times of the year. Small vessels serving as "backup", much as buses currently do in Vallejo, is another potential use for small ferries.
- 5) Interim service. It can take anywhere from 5-7 years for a major new ferry terminal project to make its way through the permitting, environmental and construction process. It may be possible that during this planning period WETA can offer service at existing small boat facilities with small vessels in an effort to build the market while permanent facilities are developed.

These are just some of the potential applications that can be studied to identify what role small vessels might play in supporting the growth and development of WETA's regional ferry services and in determining the best path forward for WETA's use of small vessels.

Fiscal Impact

This study would be funded with operating funds available to support planning studies in FY 2017/18 and FY 2018/19.

END



January 10, 2018

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

Dear Nina:

Thank you for taking the time to brief me on the WETA vessel fleet's current status and forecasted capacity constraints. I understand we need to grow our vessel capacity in order to ensure the ability of this agency to fulfill our Strategic Plan vision to rapidly build out a comprehensive regional ferry system. New vessels are required to support the 16 terminal network with up to 15 minute frequencies that will meet the demand of Bay Area residents for a comfortable, convenient, and congestion free commute alternative and enhance the region's emergency response capability.

I support the staff recommendation to use our remaining \$9 million of Proposition 1B funds to build a high speed, low draft vessel that can serve various routes in the future. Yet a future Regional Measure 3 presents a critical opportunity for significant new funding to support our vessel fleet expansion, and I strongly believe we need to be very strategic about how to invest this money in new vessels.

I am intrigued by the idea of integrating smaller vessels into our existing fleet, which I believe provide a unique opportunity to help us build out a more comprehensive regional system in the near term. I suggest we analyze the opportunity to potentially purchase smaller vessels that could cost as little as \$2 million and be delivered under a year, compared the larger vessels that are an order of magnitude more expensive and could take more than twice as long to build. Pending the availability of new operating funds, these smaller vessels could present an opportunity for us to deliver service to new locations like Berkeley, Mission Bay, Redwood City, and sites in the Carquinez Strait within the year. Smaller, lower draft vessels can navigate shallower regions of the bay and do not require the costly dredging or landside infrastructure to support service. These vessels hold promise of enabling us to deliver service to new locations on a very expedited timeline, as well as provide off peak service on existing routes.

Emerging clean propulsion technologies also present an opportunity for new vessels to dramatically reduce fuel consumption and greenhouse gas emissions, while also significantly driving down operating costs for the agency. Sustainable forms of transit also qualify for new

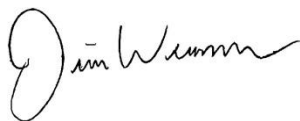
sources of revenue, and I believe an analysis of these new technologies – including sail-assisted, battery diesel hybrid, hydrogen fuel power, and full battery-electric – should be considered when assessing which types of vessels to purchase with new capital funds. While WETA is already purchasing the nation’s least polluting ferries, there might be opportunity to further establish ourselves as a global environmental leader.

For these reasons, I encourage WETA to prepare a Request for Information (RFI) to help us better understand the unique benefits of a range of vessel sizes and designs so we can make the most informed decision about which type of vessels can best help us to fulfill our Strategic Plan vision. This will help us determine how best to invest potential new Regional Measure 3 capital funds. Interested companies would be encouraged to provide information through the RFI about vessel size, speed, propulsion technology, capacity, and the timeline in which the vessel could be delivered that could help WETA determine which vessels would provide a safe, equitable, and environmentally sustainable service to benefit residents throughout the region.

I will rely on the great expertise of the WETA staff to analyze the information and ultimately determine which vessels will most appropriately serve our mission and the needs of our ever-increasing riders, but I believe an RFI will put the agency in the best position to determine that decision.

Thank you for your consideration of this request. I look forward to continuing to work with the staff to pursue our robust vision for system expansion as laid out in the Strategic Plan.

Sincerely,

A handwritten signature in black ink that reads "Jim Wunderman". The signature is fluid and cursive, with the first name "Jim" being particularly prominent.

Jim Wunderman
President & CEO



City of Martinez

525 Henrietta Street, Martinez, CA 94553-2394

(925) 372-3500 / Fax (925) 229-5012

February 14, 2018

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



Dear Ms. Rannells:

The City of Martinez is writing to build on the January 10, 2018 letter sent to you from Bay Area Council President (and WETA Board member) James Wunderman. Mr. Wunderman's letter proposes that WETA issue a Request for Information (RFI) for alternate (particularly smaller and less expensive) vessels. The City supports this approach, and believes it can enable WETA to serve a range of new locations in the Bay Area, including Martinez.

To briefly review Martinez's history with WETA, Martinez has been a potential ferry terminal site since the Water Transit Authority, the predecessor to WETA, issued its master plan, "A Strategy to Improve Public Transit with an Environmental Friendly Ferry System" in 2003. Between 2004 and 2008 the City was in regular contact with WETA staff and in 2008 WETA chose Martinez for initial funding of \$500,000 for an EIR for a Martinez ferry terminal and an additional \$300,000 for conceptual design of a terminal. A consultant firm was chosen for the design and EIR, and the work begun, before being put on hold in December 2008, due to a dispute surrounding state funding of WETA.

In the past year, the City has been able to move forward on privately owned water transit service, delivered by PropSF, a private water transit operator. PropSF approached Martinez to operate a private service from Martinez to the South Bay for a major employer in the South Bay. The City elected to spend approximately \$150,000 of its own funds to undertake additional dredging to accommodate this service, and other water transit service in the future.

Martinez's goal remains to be part of the comprehensive regional water transit system that WETA is developing, and institute service as soon as possible. Martinez has the advantage of an Intermodal train and bus station within walking distance of the marina. This would provide a connection between the water and land transit systems.

Further, the smaller, more agile and less expensive vessels proposed by Mr. Wunderman hold the promise of providing service at a cost well below the projections used in previous Contra Costa water service studies.

The City looks forward to meeting with WETA staff in the near future, to discuss this approach in greater detail.

Sincerely,



Brad Kilger
City Manager

cc: Rob Turner, Mayor

BRAD KILGER, CITY MANAGER