

**Members of the Board**

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

**BOARD OF DIRECTORS' MEETING**  
*Thursday, October 6, 2016 at 1:00 p.m.*  
**San Francisco Bay Area**  
**Water Emergency Transportation Authority**  
Port of San Francisco  
Pier 1; San Francisco

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

**AGENDA**

1. CALL TO ORDER – BOARD CHAIR
2. PLEDGE OF ALLEGIANCE/ROLL CALL
3. REPORT OF BOARD CHAIR **Information**
4. REPORTS OF DIRECTORS **Information**
5. REPORTS OF STAFF **Information**
  - a. Executive Director's Report
  - b. Monthly Review of Financial Statements
  - c. Legislative Update
6. RECESS INTO CLOSED SESSION **Action**
  - a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS **To Be Determined**

Property: Pier 9, Port of San Francisco  
Agency negotiators: Nina Rannells and Melanie Jann, San Francisco Bay Area Water Emergency Transportation Authority  
Negotiating Parties: Port of San Francisco  
Under Negotiation: Terms and conditions of the WETA's Proposed Lease of office and berthing space
7. REPORT OF ACTIVITY IN CLOSED SESSION **Action**

Chair will report any action taken in closed session that is subject to reporting at this time. Action may be taken on matters discussed in closed session. **To Be Determined**
8. CONSENT CALENDAR **Action**
  - a. Board Meeting Minutes – September 1, 2016
  - b. Authorize Release of a Request for Proposals for the Solano Propulsion Train Subcomponent Replacement Project and Upgrades
  - c. Authorize Release of an Invitation for Bids for Purchase of Fuel for North Bay Ferry Operations
  - d. Approve Revised Mitigation Measure and Adoption of Addendum No. 1 to the CEQA IS/MND and MMRP for the Central Bay Operations and Maintenance Facility Project
  - e. Authorize Execution of a Lease Disposition and Development Agreement with the Port of San Francisco for Construction of the Downtown San Francisco Ferry Terminal Expansion
  - f. Approve a Project Labor Agreement for Construction of the Downtown

**Water Emergency Transportation Authority**  
**October 6, 2016 Meeting of the Board of Directors**

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San Francisco Ferry Terminal Expansion

- g. Authorize Release of a Request for Proposals for Construction Manager at Risk Services for the Downtown San Francisco Ferry Terminal Expansion

9. APPROVE CONTRACT AWARD TO MARINE GROUP BOAT WORKS FOR MV PISCES QUARTER-LIFE REFURBISHMENT PROJECT **Action**
10. ADOPT THE FINAL 2016 WETA STRATEGIC PLAN **Action**
11. APPROVE NON-COMPETITIVE NEGOTIATED CONTRACTS WITH VIGOR KVICHAK LLC AND AURORA MARINE DESIGN FOR THE CONSTRUCTION OF TWO 400-PASSENGER VESSELS **Action**
12. AUTHORIZE FILING AN APPLICATION WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR FY 2016/17 REGIONAL MEASURE 1 FUNDS **Action**
13. CONSIDER PROPOSAL FOR VALLEJO FERRY SERVICE ENHANCEMENTS AND DELETION OF SCHEDULED ROUTE 200 SERVICE BEGINNING JANUARY 2017 **Action**
14. RICHMOND FERRY TERMINAL PROJECT UPDATE **Information**
15. CLOSED SESSION **Action**  
In the event of any urgent matter requiring immediate action which has come to the attention of WETA after the agenda has been issued and which is an item appropriately addressed in Closed Session, WETA may discuss and vote whether to conduct a Closed Session under Brown Act (California Government Code Sections 54954.2(b)(2) and 54954.5). **To Be Determined**
- If WETA enters into Closed Session under such circumstances, WETA will determine whether to disclose action taken or discussions held in Closed Session under the Brown Act (California Government Code Section 54957.1).
16. REPORT OF ACTIVITY IN CLOSED SESSION **Action**  
Chair will report any action taken in closed session that is subject to reporting at this time. Action may be taken on matters discussed in closed session. **To Be Determined**
17. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

**ADJOURNMENT**

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

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

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

## Water Emergency Transportation Authority October 6, 2016 Meeting of the Board of Directors

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

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

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

Under California Government Code Section 84308, Directors are reminded that they must disclose on the record of the proceeding any contributions received from any party or participant in the proceeding in the amount of more than \$250 within the preceding 12 months. Further, no Director shall make, participate in making, or in any way attempt to influence the decision in the proceeding if the Director has willfully or knowingly received a contribution in an amount of more than \$250 within the preceding 12 months from a party or such party's agent, or from any participant or his or her agent, provided, however, that the Director knows or has reason to know that the participant has a financial interest in the decision. For further information, Directors are referred to Government Code Section 84308 and to applicable regulations.

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**AGENDA ITEM 1**  
**CALL TO ORDER**

**AGENDA ITEM 2**  
**ROLL CALL**

**AGENDA ITEM 3**  
**REPORT OF BOARD CHAIR**

**AGENDA ITEM 4**  
**REPORTS OF DIRECTORS**

**NO MATERIALS**

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**M E M O R A N D U M**

TO: WETA Board Members  
FROM: Nina Rannells, Executive Director  
DATE: October 6, 2016  
RE: Executive Director's Report

**CAPITAL PROJECT IMPLEMENTATION UPDATE**

**Vessel Replacement – Central Bay**

The MV *Encinal* and *Harbor Bay Express II* are included in the Capital Budget for replacement as they have reached the end of their useful lives (generally 25 years) and staff has secured funding commitments for replacement vessels. In December 2013, the Board of Directors approved a contract with Aurora Marine Design (AMD) for vessel construction management services and with Kvichak Marine Industries, now Vigor Kvichak (Vigor), in April 2015 for the construction of two new replacement vessels. Vessel construction began in early September 2015.

Vessel 1 MV *Hydrus* – The hull structure was launched on July 19 at Vigor in Seattle and transferred to Nichols Brothers Boat Builders for joining of the superstructure. Delivery of this vessel is anticipated in January 2017.

Vessel 2 MV *Cetus* - Fabrication of the hull structure is well underway. Delivery of this vessel is anticipated in late May 2017.

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

This project will construct three new high-speed vessels including one to replace the MV *Vallejo* and two to support initiation of new Richmond ferry service. In December 2015, the Board of Directors approved a contract with Fast Ferry Management for vessel construction management services. On September 1 the Board of Directors approved a contract award to Dakota Creek Industries for vessel construction, a Notice to Proceed was issued, and a project Kick-Off meeting is scheduled for October 7. The first vessel is scheduled for delivery in December 2018.

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

This project provides for a general refurbishment of the vessel and will include the following components: refurbish shafts, propellers, rudders, replace bearings, replace and re-upholster seating, replace carpets, renew deck coatings, touch up interior finishes, overhaul main engines, HVAC, electrical, plumbing, emission, fire and lifesaving safety systems. In addition, the scope of work for this project includes increasing the passenger capacity from 149 to 225. The RFP was released on August 5, 2016. Included in this month's agenda is an item recommending a contract award. Work is expected to start in November with project completion in spring 2017.

**North Bay Operations and Maintenance Facility**

This project will construct a new ferry operations and maintenance facility located at Building 165 on Mare Island in Vallejo in two phases. The landside phase includes site preparation and construction of a new fuel storage and delivery system along with warehouse and maintenance space. The waterside phase will construct a system of modular floats and piers, gangways, and over-the-water utilities.

The Board of Directors awarded a design-build contract for the landside phase to West Bay Builders, now Thompson Builders, in August 2013. Landside construction is substantially complete. Remaining tasks for the landside construction phase include commissioning and testing of systems that run between the landside and waterside portions of the project.

The Board of Directors awarded a design-build contract for the waterside construction phase to Dutra Construction in July 2014. Construction of the waterside phase is underway. Pile driving activities were completed on September 2, 2015. A total of 23 piles were driven over a 4 week period. The existing service float was modified and rehabilitated at Bay Ship & Yacht and was delivered to the site in February 2016. All of the concrete floats were delivered to the site and secured to the piles in December 2015. The construction contractor has completed installation of the superstructure and is working to complete installation of utility systems. The construction team is working on testing and commissioning the utility and product delivery systems. System commissioning began in August. The final completion date for the waterside construction is anticipated in October.

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

This project will construct a new ferry operations and maintenance facility at Alameda Point to serve as the base for WETA's existing and future central bay ferry fleet. The anticipated opening date will be in the spring of 2018. The facility will provide running maintenance services such as fueling, engine oil changes, concession supply, and light repair work for WETA vessels. The new facility will also serve as WETA's Operations Control Center for day-to-day management and oversight of service, crew, and facilities. In the event of a regional emergency, the facility will function as an Emergency Operations Center, serving passengers and sustaining water transit service for emergency response and recovery.

The Board of Directors awarded a construction contract to Overaa/Power, a Joint Venture, in July 2016. On September 15, a groundbreaking ceremony to commemorate the start of construction was attended by numerous state, regional, local and private-sector supporters of the project. A Notice to Proceed with construction was issued this month authorizing the contractor to proceed with demolition and pile driving work.

### **Alameda Seal Haul-out**

A seal haul-out was developed voluntarily by WETA at the site of the future Central Bay Operations and Maintenance Facility (CBOMF). After working with a marine mammal expert and a working group of Alameda seal enthusiasts, a specially-designed float was installed in July 2016 at the site. Early reports and photographic evidence suggests the seals love the new float. The next steps are to gradually relocate the float eastward toward a final mooring location. The first move took place on July 28. Subsequent moves will occur approximately every two weeks until the final location is reached.

### **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 proposed project would also include landside improvements needed to accommodate expected increases in ridership and to support emergency response capabilities.

Staff has finalized the design documents and technical specifications required to initiate the construction procurement process for the project. Additionally, the San Francisco Bay Regional Water Quality Control Board issued a Water Quality Certification for the project this month, the Bay Conservation and Development Commission is tentatively scheduled to consider approval of the project on October 20th, and a permit application has been submitted to the U.S. Army



Corps of Engineers to authorize construction of the project. The October 6 Board meeting agenda includes recommendations to approve release of a Request For Proposal (RFP) for Construction Manager at Risk services, a Lease Disposition and Development Agreement with the Port of San Francisco, and a Project Labor Agreement in support of this project.

### **SERVICE DEVELOPMENT UPDATE**

#### **Richmond Ferry Service**

This service will provide an alternative transportation link between Richmond and downtown San Francisco. The conceptual design includes plans for replacement of an existing facility (float and gangway) and a phased parking plan. The WETA Board adopted a Funding Agreement and Memorandum of Understanding (MOU) with the Contra Costa Transportation Authority at its March 2015 meeting that funds the operation for a minimum period of 10 years.

A contract was awarded to Ghirardelli Associates in September 2016 to provide construction management services. The RFP for construction of the terminal facility is anticipated for release by the end of 2016. Terminal construction will begin in 2017.

All resource agency permit applications have been submitted. A provisional Letter of Permission was received from the U.S. Army Corps of Engineers in June. The dredging approval process with the Dredged Material management Office is near completion. The remaining resource agency approvals are anticipated to be received over the next few months. Staff continues to work on developing a final lease agreement with the City of Richmond for this site.

#### **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 2021, given the current project schedule.

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

#### **South San Francisco Service**

The South San Francisco ferry service is currently in its fourth year of operation, averaging 541 daily boardings and 35 percent farebox recovery.

At its May meetings, the Metropolitan Transportation Commission (MTC) approved a program amendment allowing the South San Francisco Ferry service seven years to reach its threshold of 40 percent farebox recovery. The rationale for this revision in MTC's Regional Measure 2 requirements was that the service had demonstrated strong ridership growth and there were many letters of support received by stakeholders on both sides of the Bay. The service now has until 2019 to reach the 40 percent farebox standard.

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

In April 2016, the Alameda City Council and WETA Board of Directors adopted a MOU defining a future service concept for western Alameda and identifying the terms and conditions under

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

### **Mission Bay Ferry Terminal**

The Port of San Francisco released an engineering feasibility and site selection study for a future Mission Bay ferry terminal in March 2016. WETA staff participated in the study and provided input regarding ferry operations and potential service models. The Port Commission authorized release of an RFP for design and permitting services at its July 2016 meeting. To support the effort, the City of San Francisco has placed \$7 million in its capital budget. A project Memorandum of Understanding between the Port and WETA will be developed for Port Commission and WETA Board consideration in fall 2016.

### **Redwood City Ferry Terminal**

A Redwood City Ferry Terminal site feasibility report was completed in draft in 2012, in an effort to identify site opportunities, constraints and design requirements and better understand project feasibility and costs associated with the development of a terminal and service to Redwood City. During the summer of 2016, staff from the Port, WETA and the City of Redwood City have met to redefine the project, shifting the development towards a public facility available to multiple ferry operators in advance of formal WETA service, given the lack of project funds for such service at this time. This alternative development model will allow the Port and City to move forward with construction of a terminal, allowing time for WETA and the City to advocate for operational and vessel funding for eventual WETA service. The next step in the project is to develop a project MOU.

## **SYSTEM PLANS/STUDIES**

### **WETA Strategic Plan**

The Draft WETA Strategic Plan, released in January 2016, is the result of a planning process that began in March 2015 with an introductory Board workshop that provided agency and service background information and identified strategic areas for discussion. A second workshop in May 2015 reviewed and validated the Board-adopted Mission and Vision statements and provided an opportunity to consider new WETA policies related to service performance and expansion. Taking input from the Board, WETA staff spent the summer reaching out to stakeholders, sharing draft strategic plan policies and gaining valuable input for the eventual draft plan.

The WETA Board of Directors released the draft 20-year Strategic Plan, which is posted on the WETA website, for public review and comment at its January 2016 meeting. At the March 2016 Board meeting, Chair Breckenridge created a working group consisting of staff, Vice Chair Wunderman and Board Member Donovan to review the draft plan within the context of WETA's mission and vision statements. As a result of the work of this committee, the WETA Board adopted revised Mission and Vision statements at its June 2016 meeting. A revised draft Strategic Plan consistent with the new Mission and Vision statements was released in September and will be presented to the WETA Board for consideration at the October 2016 meeting.

### **Alameda Terminals Access Study**

Both ferry terminals in Alameda have experienced surges in ridership beginning with the first BART strike in July 2013. As a result, parking at both terminals typically spills on to adjacent streets and informal parking lots. WETA initiated work on an Alameda Terminals Access Study

in 2014 as a means to identify immediate, medium and long-term solutions to improve customer access to these terminals. As an outgrowth of this work, the City of Alameda Transportation Commission formed an Ad Hoc Subcommittee, made up of Transportation Commission members and City of Alameda, WETA, AC Transit, and local community organization staff to investigate potential City improvements for ferry terminal access during the spring of 2015.

Initial work identified through the study outreach and taken up by the Ad Hoc Subcommittee focused on parking improvements to the Harbor Bay Terminal area and restoring AC Transit feeder bus service to the Alameda Main Street Terminal.

City staff has recently been coordinating with the Harbor Bay Master Homeowner's Association to develop a strategy for addressing overflow parking in the vicinity of the Harbor Bay Terminal. The strategy proposes to institute a residential parking permit program, thereby eliminating overflow parking on the surrounding arterial and residential streets. In addition, the Homeowner's Association requests that WETA consider a parking fee at the lot and that potential revenue from parking fees help fund a free shuttle program for Harbor Bay residents. WETA Staff has engaged a parking specialist consultant and will be evaluating potential parking fee programs not just for Harbor Bay but for the entire WETA system. WETA staff will continue to work with its partners at the City and the Harbor Bay Homeowner's Association.

At Main Street, WETA staff has worked with City staff since spring 2015 to open the Officer's Club parking lot as an overflow lot for the many riders parking on dirt lots or on the shoulders of Main Street. WETA funded a new crosswalk and minor improvements to the lot, which opened to ferry riders on May 24, 2016. Aside from parking, installation of 20 bicycle lockers at the Main Street terminal -- funded through a grant from the Bay Area Air Quality Management District -- occurred on February 22. Staff will shift its focus to additional improvements that can be made related to alternative modes such as buses, shuttles, bicycles, and pedestrian improvements after the parking improvements are underway. Staff anticipates bringing forward the Access Plan and a discussion of the many ongoing work efforts in support of this plan in fall 2016.

### **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. After coordination between WETA staff and Berkeley elected officials, the Berkeley Mayor Tom Bates has recently submitted a letter supporting development of a ferry terminal in Berkeley, pledging to work cooperatively with WETA towards project implementation.

### **OTHER BUSINESS**

#### **State Transportation Bills**

Two identical transportation funding bills were introduced on August 24 by Senator Jim Beall (SBX1 1) and Assembly Member Jim Frazier (ABX1 26) that would provide \$7.4 billion annually to transportation projects that repair and maintain our state highways and local roads, improve trade corridors and support public transit. These bills did not pass during the regular session. However, as special session bills they can be considered by the Legislature should it chose to reconvene to hear them prior to the new year.

#### **CPUC Applications for New Ferry Operations**

Two private ferry operators, PropSF and Tideline Marine Group, have recently applied to the Public Utilities Commission of the State of California (CPUC) for the authority to operate as scheduled vessel common carriers with flexible rates between points in various cities in the San

Francisco Bay Area. On September 29, the CPUC granted authority for these services to begin operating limited private, fixed route services between the cities of Berkeley, San Francisco and Redwood City.

### **CPUC Organizational Changes**

Working closely with Barry Broad in Sacramento, staff has been monitoring discussions and legislative activities related to potential changes in the CPUC's programs and authority, including the possibility of changes to the transportation oversight functions of the Commission. On September 29, the Governor signed several bills making reforms to help open and expand participation in CPUC proceedings, improve safety and reform ex parte rules. As a part of this action, he directed his administration to work with the CPUC to develop a re-organization plan to, amongst other things, transfer the duties and responsibilities of the CPUC over transportation-related entities to the California Transportation Agency. Staff will continue to monitor activity in this area and engage in consultative discussions with state officials to help ensure that plans for transitioning ferry regulatory oversight is done in a manner that supports WETA's legislative authority and ability to provide safe and effective public transit service.

### **Emergency Response Activities Update**

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

EPA Mass Transit Response Coordination Workshop: WETA participated in a workshop on September 14, hosted by the Environmental Protection Agency (EPA), which focused on informing EPA on the operations, equipment and roles of WETA, BART and SFMTA in preparation for an exercise on October 26 to practice EPA response to a chemical or biological attack on Bay Area transit agencies.

San Francisco Fleet Week Exercise: WETA will be observing the San Francisco Fleet Week exercise on October 3 aimed at bringing together Bay Area first responders; local, state and federal emergency managers and Department of Defense (DoD) personnel to test disaster logistics strategies following a catastrophic earthquake in the Bay Area. The focus of this year's exercise is to practice moving necessary and requested commodities and resources the "last tactical mile" from Staging Areas to Commodity Points of Distribution.

MTC 2016 Table Top Exercise: MTC and members of the Transportation Response Plan Committee will conduct a table top exercise on October 11 to test the following objectives:

1. Process for transit agencies, MTC, utilities, Ops Areas and the State will identify, request, provide and manage resources.
2. Assess methods relevant agencies will use to communicate information about transportation service planning and resource management.
3. Identify and discuss how information communication methods or processes may be augmented during the incident.

WETA is on the planning team and staff will be participating at the table top exercise. Participants will include U.S. Coast Guard (USCG), State Department of Transportation, California Office of Emergency Services, California Highway Patrol, CPUC, regional and local transit agencies, East Bay Municipal Utility District, Pacific Gas & Electric, San Francisco Public Utility Commission, Santa Clara Valley Water District, and the Ports of Oakland and San Francisco.

VEOCI: Staff is currently working to implement, VEOCI, a web-based, virtual Emergency Operations Center (EOC) information and resource management system that will allow staff to access an online workspace for emergency management activities in the EOC and if they are unable to report to WETA's EOC or if they are in the field. VEOCI is anticipated to be used for:

- Staff notification
- Internal and external communications
- Managing tasks and resources
- Document storage
- Compiling information for reports/situational awareness
- Reimbursement documentation

This system will be compatible with the State of California's web based resource management system, CalEOC. This project is expected to be complete in Spring 2017.

### **Coast Guard Manning Requirements**

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

### **Hazard Mitigation Plan**

WETA is preparing a new Hazard Mitigation Plan (HMP) in accordance with the Federal Disaster Mitigation Act of 2000 (DMA 2000). DMA 2000 requires local governments to develop and submit HMPs as a condition of receiving Hazard Mitigation Grant Program and other mitigation project grant funding. This includes pre-disaster mitigation funding and post-disaster mitigation funding for existing WETA facilities. The essential steps of hazard mitigation are to identify and profile hazards that affect the local area surrounding existing facilities, analyze the people and facilities at risk from those hazards, and develop mitigation actions to lessen or reduce the impact of the profiled hazards. WETA staff is working with a consultant to prepare the HMP. The process includes coordination with stakeholder agencies with jurisdictions that might interface with WETA during a disaster response. The process also includes opportunity for public comment. The third and final HMP planning team meeting was held on August 18 to review the draft HMP. The HMP is anticipated for completion in September 2016. The HMP will be sent to the Governor's Office of Emergency Services (Cal OES) and the Federal Emergency Management Agency (FEMA) for review and approval. After those approvals are received, the HMP will be presented to the Board for adoption.

### **KEY EXTERNAL OUTREACH/BUSINESS MEETINGS**

On September 8, Keith Stahnke met with the California Air Resources Board (CARB) to clarify regulations affecting the WETA fleet.

On September 14, Lauren Gularte attended a workshop hosted by the EPA which focused on EPA's response to a chemical or biological attack on Bay Area transit agencies.

On September 15, WETA held a groundbreaking ceremony for the new Ron Cowan Central Bay Maintenance and Operations Facility.

On September 21, Kevin Connolly presented the WETA Strategic Plan and an update on project planning for Treasure Island to the Infrastructure Committee of the Treasure Island Development Association.

On September 21, Lauren Gularte participated in a workshop for businesses on "How to Present a Successful Request For Proposals" which was hosted by the Business Outreach Committee.

On September 22, Chad Mason attended the Contra Costa County Building and Construction Trades Council's Pre-Job Conference for the Central Bay Operations and Maintenance Facility.

On September 26, Nina Rannells attended the Clipper2 Executive Committee meeting.

On September 27, Nina Rannells, Kevin Connolly, and Mike Gougherty attended the Port of San Francisco Commission Hearing to present informational updates concerning the WETA Strategic Plan and Downtown San Francisco Ferry Terminal Expansion.

On September 27, Keith Stahnke attended the San Francisco Disaster Council meeting.

On September 27, Chad Mason attended a meeting of the Bay Area Transit Sustainability Working Group.

On October 3, Lauren Gularte will observe the 2016 San Francisco Fleet Week Commodity Points of Distribution (C-POD) Exercise at the Presidio of San Francisco.

### **OPERATIONS REPORT**

**Monthly Operating Statistics** - The Monthly Operating Statistics Report for August 2016 is provided as Attachment A.

On September 12, the MV *Peralta* was removed from Alameda/Oakland service and dry-docked for repairs to the port lazarette hull bottom plating. With the *Peralta* out of service a smaller vessel is being used as a replacement which has resulted in capacity issues on peak trips in the commute. The MV *Peralta* will return to service in early October.

On September 20, as the last two return trips to Vallejo neared the entrance of Mare Island Strait, the vessel Captains noticed strong petroleum odor and oil sheens on the water. The crew reported this to USCG at approximately 8pm. Once docked at the home dock Mare Island an unknown petroleum product was found on the MV *Vallejo* side shell and decks. This same odor also caused the City of Vallejo to activate its EOC and issue a city-wide Shelter-in-Place order. With the possibility of two vessels contaminated and the potential for closure of the waterway, operations staff prepared for bus bridge service for the next day's morning commute. Throughout the night and early morning the cause of the odor and the status of the waterway were unknown. Four charter buses were available to cover service starting at 5:30 a.m. Ferry service was reestablished at 7:45 a.m. after USCG overflights confirmed the route to San Francisco was clear. The USCG sent a spill response team to Mare Island and was able to decontaminate the MV *Vallejo* in time for the afternoon commute.

On September 26, the MV *Scorpio* was taken out of service for scheduled engine overhaul work and will return on October 7.

October 3-10, San Francisco Fleet Week: Fleet Week attracts large crowds to the San Francisco waterfront and high ridership on the Vallejo and Alameda/Oakland ferry routes. Plans are in place to provide added capacity on peak trips during this event.

## Attachment A

### Monthly Operating Statistics Report August 2016

		Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide	
<b>Boardings</b>	<i>vs. last month</i>	Total Passengers August 2016	128,769	28,990	12,447	101,669	271,875
		Total Passengers July 2016	134,453	25,116	10,419	100,426	270,414
		Percent change	-4.23%	15.42%	19.46%	1.24%	0.54%
	<i>vs. same month last year</i>	Total Passengers August 2016	128,769	28,990	12,447	101,669	271,875
		Total Passengers August 2015	128,333	25,534	10,083	94,126	258,076
		Percent change	0.34%	13.53%	23.45%	8.01%	5.35%
	<i>vs. prior FY to date</i>	Total Passengers Current FY To Date	263,222	54,106	22,866	202,095	542,289
		Total Passengers Last FY To Date	244,552	52,743	20,744	190,932	508,971
		Percent change	7.63%	2.58%	10.23%	5.85%	6.55%
	Avg Weekday Ridership August 2016	4,176	1,260	541	3,537	9,515	
<b>Ops Stats</b>	Passengers Per Hour	201	193	75	142	163	
	Revenue Hours	642	150	166	714	1,672	
	Revenue Miles	7,282	3,305	2,830	18,634	32,051	
<b>Fuel</b>	Fuel Used (gallons)	50,717	11,588	15,687	160,228	238,221	
	Avg Cost per gallon	\$1.80	\$1.80	\$1.80	\$1.99	\$1.94	

\* Vallejo ridership includes ferry + Route 200 bus passengers. August bus ridership totaled 6,537.

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MEMORANDUM

**TO: Board Members**

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

**SUBJECT: Monthly Review of FY 2016/17 Financial Statements for Two Months  
Ending August 31, 2016**

**Recommendation**

There is no recommendation associated with this informational item.

**Summary**

This report provides the attached FY 2016/17 Financial Statements for two months ending August 31, 2016.

**Operating Budget vs. Actual**

	Prior Actual	Current Budget	Current Actual
<b>Revenues - Year To Date:</b>			
Fare Revenue	3,355,206	3,089,536	3,755,954
Local Bridge Toll Revenue	1,646,018	3,341,205	1,674,828
Other Revenue	325	67,198	350
<b>Total Operating Revenues</b>	<b>5,001,549</b>	<b>6,497,940</b>	<b>5,431,132</b>
<b>Expenses - Year To Date:</b>			
Planning & Administration	380,283	509,589	297,859
Ferry Services	4,621,267	5,988,351	5,133,273
<b>Total Operatings Expenses</b>	<b>5,001,549</b>	<b>6,497,940</b>	<b>5,431,132</b>
<b>System-Wide Farebox Recovery %</b>	<b>73%</b>	<b>52%</b>	<b>73%</b>

**Capital Actual and % of Total Budget**

	YTD Actual	% of FY 2015/16 Budget
<b>Revenues:</b>		
Federal Funds	1,177,992	3.31%
State Funds	1,449,322	3.50%
Bridge Toll Revenues	1,904,114	8.11%
Other Local Funds	732,447	28.29%
<b>Total Capital Revenues</b>	<b>5,263,875</b>	<b>5.11%</b>
<b>Expenses:</b>		
<b>Total Capital Expenses</b>	<b>5,263,875</b>	<b>5.11%</b>

**Fiscal Impact**

There is no fiscal impact associated with this informational item.

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

**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2016/17 Statement of Revenues and Expenses**  
**For Two Months Ending 8/31/2016**

% of Year Elapsed of Year Elapsed 17.0%

	Current Month	Year - To - Date			% of Year FY 2016/17 Total <sup>1</sup>	% of Total Budget
		FY2015/16 Actual	FY 2016/17 Budget	FY 2016/17 Actual		
<b>OPERATING EXPENSES</b>						
<b><u>PLANNING &amp; GENERAL ADMIN:</u></b>						
Wages and Fringe Benefits	\$73,249	\$192,122	\$241,205	\$140,937	1,420,000	9.9%
Services	82,029	187,107	289,362	182,896	1,703,500	10.7%
Materials and Supplies	466	3,672	11,211	1,039	66,000	1.6%
Utilities	112	2,983	4,586	983	27,000	3.6%
Insurance	-	-	4,756	1,178	28,000	4.2%
Miscellaneous	10,775	5,619	38,899	26,653	229,000	11.6%
Leases and Rentals	25,304	47,520	54,866	50,636	323,000	15.7%
Admin Overhead Expense Transfer	(51,054)	(58,741)	(135,296)	(106,463)	(796,500)	13.4%
<b>Sub-Total Planning &amp; Gen Admin</b>	<b>\$140,881</b>	<b>\$380,283</b>	<b>\$509,589</b>	<b>\$297,859</b>	<b>3,000,000</b>	<b>9.9%</b>
<b><u>FERRY OPERATIONS:</u></b>						
<b><u>Harbor Bay FerryService</u></b>						
Purchased Transportation	\$127,732	\$273,234	\$315,419	\$251,994	1,856,900	13.6%
Fuel - Diesel & Urea	20,820	56,264	76,795	46,373	452,100	10.3%
Other Direct Operating Expenses	28,286	52,703	95,701	56,725	563,400	10.1%
Admin Overhead Expense Transfer	6,522	10,110	17,496	13,697	103,000	13.3%
<b>Sub-Total Harbor Bay</b>	<b>\$183,360</b>	<b>\$392,310</b>	<b>\$505,410</b>	<b>\$368,789</b>	<b>2,975,400</b>	<b>12.4%</b>
<b>Farebox Recovery</b>	<b>73%</b>	<b>61%</b>	<b>50%</b>	<b>68%</b>	<b>50%</b>	
<b><u>Alameda/Oakland Ferry Service</u></b>						
Purchased Transportation	\$609,030	\$1,005,471	\$1,232,322	\$1,280,098	7,254,800	17.6%
Fuel - Diesel & Urea	91,118	202,324	342,087	210,079	2,013,900	10.4%
Other Direct Operating Expenses	87,891	123,199	259,500	162,784	1,527,700	10.7%
Admin Overhead Expense Transfer	21,075	26,675	57,414	43,818	338,000	13.0%
<b>Sub-Total Alameda/Oakland</b>	<b>\$809,114</b>	<b>\$1,357,669</b>	<b>\$1,891,323</b>	<b>\$1,696,779</b>	<b>11,134,400</b>	<b>15.2%</b>
<b>Farebox Recovery</b>	<b>77%</b>	<b>80%</b>	<b>51%</b>	<b>80%</b>	<b>51%</b>	
<b><u>Vallejo FerryService</u></b>						
Purchased Transportation	\$850,785	\$1,684,786	\$1,804,947	\$1,759,999	10,625,900	16.6%
Fuel - Diesel & Urea	313,373	551,810	825,228	605,255	4,858,200	12.5%
Other Direct Operating Expenses	96,427	163,619	263,814	195,489	1,553,100	12.6%
Admin Overhead Expense Transfer	19,717	10,012	50,874	41,010	299,500	13.7%
<b>Sub-Total Vallejo</b>	<b>\$1,280,302</b>	<b>\$2,410,227</b>	<b>\$2,944,864</b>	<b>\$2,601,753</b>	<b>17,336,700</b>	<b>15.0%</b>
<b>Farebox Recovery</b>	<b>75%</b>	<b>79%</b>	<b>59%</b>	<b>76%</b>	<b>59%</b>	
<b><u>South San Francisco FerryService</u></b>						
Purchased Transportation	\$163,787	\$322,294	\$447,929	\$334,448	2,637,000	12.7%
Fuel - Diesel & Urea	28,184	71,891	97,892	61,847	576,300	10.7%
Other Direct Operating Expenses	32,779	54,931	91,420	61,719	538,200	11.5%
Admin Overhead Expense Transfer	3,740	11,945	9,512	7,938	56,000	14.2%
<b>Sub-Total South San Francisco</b>	<b>\$228,490</b>	<b>\$461,061</b>	<b>\$646,753</b>	<b>\$465,951</b>	<b>3,807,500</b>	<b>12.2%</b>
<b>Farebox Recovery</b>	<b>39%</b>	<b>31%</b>	<b>23%</b>	<b>35%</b>	<b>23%</b>	
<b>Total Operating Expenses</b>	<b>\$2,642,146</b>	<b>\$5,001,549</b>	<b>\$6,497,940</b>	<b>\$5,431,132</b>	<b>38,254,000</b>	<b>14.2%</b>
<b>OPERATING REVENUES</b>						
Fare Revenue	\$1,813,555	\$3,355,206	\$3,089,536	\$3,755,954	18,188,400	20.7%
Local - Bridge Toll	828,241	1,646,018	3,341,205	1,674,828	19,670,000	8.5%
Local - Alameda Tax & Assessment	-	-	67,198	-	395,600	0%
Local - Other Revenue	350	325	-	350	-	0%
<b>Total Operating Revenues</b>	<b>\$2,642,146</b>	<b>\$5,001,549</b>	<b>\$6,497,940</b>	<b>\$5,431,132</b>	<b>38,254,000</b>	<b>14.2%</b>

<sup>1</sup> Includes budget increase of \$2 million approved on 8/4/2016 to support the Bay Bridge Forward Ferry Enhancement Program.

**San Francisco Bay Area Water Emergency Transportation Authority**  
**FY 2016/17 Statement of Revenues and Expenses**  
**For Two Months Ending 8/31/2016**

Project Description	Current Month	Project Budget	Prior Years Actual	FY2016/17 Budget	FY2016/17 Actual	Future Year	% of Total Project Budget
<b>CAPITAL EXPENSES</b>							
<b>FACILITIES:</b>							
<b>Maintenance and Operations Facilities</b>							
North Bay Operations & Maintenance Facility	\$232,424	\$31,082,000	\$28,592,897	\$2,489,103	\$240,251	\$0	93%
Central Bay Operations & Maintenance Facility	325,710	69,500,000	4,425,134	32,962,866	334,708	32,112,000	7%
<b>Terminal Improvement</b>							
Electronic Bicycle Lockers	-	79,500	46,661	32,839	-	-	59%
Terminal Access Improvement	-	250,000	67,528	182,472	-	-	27%
Replace Terminal Fendering - East Bay Terminals	-	92,000	-	92,000	-	-	0%
<b>FERRY VESSELS:</b>							
<b>Major Component Rehabilitation / Replacement</b>							
Selective Catalyst Reduction (SCR) System Overhaul	3,209	1,400,000	61,008	1,338,992	6,310	-	5%
Major Component Rehabilitation - Solano	560	430,000	-	430,000	1,925	-	0%
Vessel Engine Overhaul - Bay Breeze	-	650,000	-	650,000	-	-	0%
Vessel Engine Overhaul - Scorpio	295	625,000	-	625,000	295	-	0%
Major Component & Waterjet Rehab - Mare Island	19,112	3,600,000	-	3,600,000	19,525	-	1%
<b>Vessel Mid-Life Repower/Refurbishment</b>							
Vessel Qtr-Life Refurb & Capacity Increase - Gemini	1,227,631	3,507,000	2,053,446	1,453,554	1,228,220	-	94%
Vessel Qtr-Life Refurb & Capacity Increase - Pisces	786	4,100,000	-	4,100,000	1,867	-	0%
Vessel Qtr-Life Refurbishment - Taurus	-	2,400,000	-	2,400,000	-	-	0%
<b>Vessel Expansion/Replacement</b>							
Purchase Replacement Vessel - Express II & Encinal	2,956,633	33,951,000	19,724,430	14,226,570	2,960,269	-	67%
Purchase Replacement Vessel - Vallejo	11,066	21,052,000	56,940	8,447,060	16,089	12,548,000	0%
<b>CAPITAL EQUIPMENT / OTHER:</b>							
Purchase Heavy Duty Forklift	-	105,000	-	105,000	-	-	0%
Purchase Utility Vehicles	-	50,000	-	50,000	-	-	0%
CCTV and LCD Network Integration	-	400,000	-	300,000	-	100,000	0%
<b>SERVICE EXPANSION:</b>							
<b>Terminal/Berthing Expansion Construction</b>							
Downtown Ferry Terminal Expansion - South Basin	375,366	79,580,000	5,569,989	8,279,011	380,433	65,731,000	7%
Richmond Ferry Terminal	43,793	18,000,000	1,383,228	4,403,772	50,127	12,213,000	8%
<b>Expansion Ferry Vessels</b>							
Richmond Ferry Vessels - 2 each	17,053	42,000,000	105,789	16,897,211	23,856	24,997,000	0%
<b>Total Capital Expenses</b>	<b>\$5,213,637</b>	<b>\$312,853,500</b>	<b>\$62,087,050</b>	<b>\$103,065,450</b>	<b>\$5,263,875</b>	<b>\$147,701,000</b>	
<b>CAPITAL REVENUES</b>							
Federal Funds	\$1,163,922	\$67,154,384	\$13,093,526	\$35,539,068	\$1,177,992	\$18,521,790	21%
State Funds	1,422,459	185,846,825	37,429,974	41,446,164	1,449,322	106,970,687	21%
Local - Bridge Toll	1,895,264	53,733,891	8,584,455	23,490,913	1,904,114	21,658,523	20%
Local - Alameda Sales Tax Measure B / BB	731,992	4,950,000	2,949,095	2,000,905	732,447	-	74%
Local - Alameda TIF / LLAD	-	18,400	-	18,400	-	-	0%
Local - San Francisco Sales Tax Prop K	-	1,100,000	-	550,000	-	550,000	0%
Local - Transportation Funds for Clean Air	-	50,000	30,000	20,000	-	-	60%
<b>Total Capital Revenues</b>	<b>\$5,213,637</b>	<b>\$312,853,500</b>	<b>\$62,087,050</b>	<b>\$103,065,450</b>	<b>\$5,263,875</b>	<b>\$147,701,000</b>	

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MEMORANDUM

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**TO:** Board Members

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

**SUBJECT:** WETA Federal Legislative Board Report – September 26, 2016

**Could a New President Bring Opportunity for WETA?**

While Presidential candidates Hilary Clinton and Donald Trump agree on very little, one thing they do seem to agree on is the need for additional infrastructure investment. In fact, both candidates have hinted that they may try to push a big infrastructure package through Congress as one of their first acts as President. Questions about how such a package would be paid for notwithstanding, the hints have prompted people on and off Capitol Hill to start thinking about what such a bill would look like and which modes of transportation would benefit.

While serious discussion about any such infrastructure package will not begin until we have clarity on who the next President is and which parties are in the majority in the House and Senate, the fact is that such an infrastructure package could be the vehicle for achieving one of WETA's longer-term objectives, which is to increase the amount of money available through the FTA ferry grant program. Given that competition for transit money is fierce, increasing the size of the FTA ferry grant program will require a concerted effort amongst various stakeholders, including other ferry systems, organized labor, ship-building interests, etc. Grassroots and grass-tops mobilization will be important and so will targeting the right members of the House and Senate. Given the potential for an infrastructure package in early 2017, that work needs to begin now.

**Congress Passes a Continuing Resolution, but Questions about FHWA and FTA Funding Remain the Same**

Congress adjourned until after the election having accomplished very little during the four weeks the House and Senate were in session in September. In fact, the only real accomplishment was passage of the Continuing Resolution (CR) to keep the Federal government running beyond the end of the fiscal year. A CR is necessary because Congress didn't pass any of the appropriations bills that will fund government agencies in FY2107, which began on October 1.

As explained in the previous report, since the programs that provide funding to WETA, including the FHWA formula program and the FTA ferry grant program, fall under the umbrella of the Highway Trust Fund, they are not subject to the annual appropriations process. While this means these programs are shielded from the sort of disruption that other agencies experience when Congress passes a CR, we unfortunately still lack clarity on when FHWA plans to announce updated allocations for its formula program or on when FTA will issue the next Notice of Funding Opportunity (NOFA) for the discretionary ferry grant program.

**Priorities for the Remainder of 2016 and Beyond**

As reported in previous Board reports, here is a summary of what else we are doing to create specific funding opportunities for WETA:

***Looking Towards the Next FTA Ferry Grant Solicitation***

While FTA is unlikely to issue its NOFA for FY17 funds until later in the year, we are working to gain support from the Bay Area Congressional delegation for pressing the agency to be upfront about how it will distribute funding in FY17 and FY18 (i.e. will it distribute a single year of funding or combine two years of funding as it has done over the past four years?). Our objective in doing this is to maximize the amount of federal funding WETA receives from the FTA program.

***Working to “Repurpose” Previously Awarded Earmarks***

Funding that we secured for WETA for the ferry service from Berkeley to downtown San Francisco in FY08 (\$642,346), FY09 (\$475,000) and FY10 (\$1,000,000) could not be utilized at the time, and because of the rules attached to this funding, the money cannot be re-allocated without Congressional approval. Unfortunately, the Congressional earmark ban makes it nearly impossible to gain this approval. Nonetheless, we are working with the California Congressional delegation to develop a mechanism that would allow WETA to “repurpose” the FY08, FY09 and FY10 funding and utilize it for more immediate needs.

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

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

*(September 1, 2016)*

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

**1. CALL TO ORDER – BOARD CHAIR**

Chair Jody Breckenridge called the meeting to order at 1:03 p.m.

**2. ROLL CALL**

Chair Breckenridge welcomed WETA Directors, staff and guests to the meeting. Other Directors present were Vice Chair James Wunderman, Director Timothy Donovan and Director Anthony Intintoli.

**3. REPORT OF BOARD CHAIR**

Chair Breckenridge reported that earlier in the day she and several WETA staff members had attended the San Francisco Regional Port Reopening Tabletop exercise focused on the process to reopen San Francisco Bay Area ports following a catastrophic event. She said a bright focus of the discussions was ferries' roles in disaster recovery which was a positive development, and likely a direct result of people receiving and reading the WETA Emergency Response Plan (ERP). She said those in attendance who had not yet received and read the ERP said they would look for it, and added that participants including the Port of San Francisco and U.S. Coast Guard staff said they were interested in pursuing an exercise based on a ferry mass evacuation.

Chair Breckenridge said she had also recently attended the Bay Area Council (BAC) Water Transit Subcommittee where she had seen a presentation from the State of California (State) about cap and trade funds for ferries and other transportation projects. She said that as a result, she and Vice Chair Wunderman would be working together to further opportunity conversations on the topic as related to ferries with State staff. She said she was also having discussions with an organization that was working on a study for a hydrogen cell ferry in the Bay Area and said Sandia National Laboratories, Red & White Fleet, MARAD, the United States Coast Guard (USCG), and the State were all involved in the promising project. Chair Breckenridge said that part of the working group was presently in London at the International Maritime Organization, an arm of the United Nations (UN) and noted that the special shore side facilities that would be required to support such a vessel would require the UN's approval.

**4. REPORTS OF DIRECTORS**

Vice Chair Wunderman reported that August 31 had been the last day of the State Legislature regular session. He thanked Executive Director Nina Rannells and Manager of Planning and Development Kevin Connolly for meeting at the BAC to discuss water transportation. He said there was great promise with State partners to further discussions on clean vessel propulsion technologies and added that the Legislature had increased the percentage of funds to support emissions reduction by 5 percent.

Vice Chair Wunderman said that the recent news of New York City Mayor de Blasio committing more than \$300 million to water transportation was remarkable. He said Hornblower Cruises & Events won the contract to provide the service and is expected to add 19 new, 149-passenger, 25-knot catamarans at a cost of \$4 million each to provide transportation to all five New York boroughs. He said 10 new facilities to support the new service were also being constructed and that service was expected to be up and

running within a year with full service and vessel use in just two years. He added that while New York does not have the burden of the Bay Conservation & Development Commission (BCDC) as we did in the San Francisco Bay Area, New York still had permitting and environmental consideration hurdles to clear. He further noted that the bulk of the funding for the project, which would primarily be used for operations to subsidize the flat \$2.75 ticket for all routes, was being provided by the New York Economic Development Corporation. Vice Chair Wunderman said that WETA should follow the project and that there may be an opportunity to partner with New York in seeking federal funding to support expansion.

Mr. Connolly said that the Citywide Ferry Service planning in New York had been underway since 2012 or 2013 and that the environmental, permitting, and outreach work which had taken several years was completed back in 2015. Mr. Connolly explained that the two year ramp up announcement was possible because of these prior years of fundamental work required for the project.

Vice Chair Wunderman apologized that he would need to depart the meeting at 2:30 p.m. because the BAC was hosting Senator Barbara Boxer on her farewell tour. He said he planned to discuss water transportation with her to see if there was any help she might be able to offer as support during her last few months in the Senate.

#### **5. REPORTS OF STAFF**

Executive Director Nina Rannells welcomed Directors to the meeting, referred them to her written report, and offered to answer any questions. She said she was pleased to report that the MV *Gemini* had received its Certificate of Inspection that afternoon after just being refurbished and having its passenger capacity increased from 149 to 225 which would allow it to be effectively utilized across multiple routes. She said the vessel was expected to be back in service on the water that afternoon and that staff was in process of soliciting bids for the same work for the MV *Pisces*.

Ms. Rannells extended an invitation to all to attend the September 15 groundbreaking and dedication ceremony for WETA's new Ron Cowan Central Bay Operations and Maintenance Facility at Alameda Point from 1:30 to 4:30 p.m.

Chair Breckenridge referred the Directors to a letter from Berkeley Mayor Tom Bates thanking WETA for the inclusion of Berkeley in its Draft Strategic Plan and expressing interest in bringing ferry service to Berkeley. She asked that the Directors read through the letter to prepare them for a discussion about the topic at a future meeting.

Ms. Rannells explained that while California Assembly Bill AB2903 did not pass to reorganize the California Public Utilities Commission it was expected that conversations related to such a reorganization process would continue and that WETA would look to comment on such a change.

Director Donovan asked if there would be any kind of survey done to garner feedback about the changes riders experience in riding the MV *Gemini* and *Pisces*. Mr. Connolly said a new rider survey was planned for 2017.

#### **PUBLIC COMMENT**

President of Blue & Gold Fleet Carolyn Horgan said the vessel crews could ask passengers how they liked the upgrades on the two vessels and share that information with the WETA staff.

#### **6. CONSENT CALENDAR**

Chair Breckenridge asked if the Directors had any questions or items for discussion on the Consent Calendar. Director Intintoli said he was very pleased to see that the South San Francisco route reflected positive farebox revenue increases.



Director Intintoli made a motion to approve the Consent Calendar which included:

- a. Board Meeting Minutes – August 4, 2016
- b. Approve the Award of a Sole Source Contract with Valley Power Systems North, Inc. for Main Engine Overhauls on the Vessels *Pisces* and *Scorpio*
- c. Approve Changes to Diversity Program for Contracts and Submittal of the Revised Program to the U.S. Department of Transportation
- d. Approve Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) Goals for FFY 2017 through FFY 2019
- e. Status Report on South San Francisco Ferry Service Performance

Director Donovan seconded the motion and the Consent Calendar carried unanimously.

Chair Breckenridge asked if there were any questions or comments from meeting attendees and there were none.

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

Chair Breckenridge said that because the Directors would be going into a closed session she was moving the Public Comment period not related to specific agenda items to this place in the meeting. There were no public comments shared on non-agenda items.

#### **7. RECESS INTO CLOSED SESSION**

Chair Breckenridge called the meeting into closed session at 1:23 p.m.

- a. CONFERENCE WITH LEGAL CONSEL – ANTICIPATED LITIGATION
- b. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

#### **8. REPORT OF ACTIVITY IN CLOSED SESSION**

Upon reopening of the meeting at 1:59 p.m. Chair Breckenridge reported that no action had been taken.

#### **9. APPROVE CONTRACT AWARD TO DAKOTA CREEK INDUSTRIES, INC. FOR CONSTRUCTION OF THREE NEW 445-PASSENGER, 34-KNOT FERRIES**

Manager of Operations Keith Stahnke presented this item to approve the following related actions for the contract award for construction of three North Bay passenger ferries:

1. Approve contract award to Dakota Creek Industries, Inc. for the construction of three new high-speed ferries in an amount not to exceed \$62,089,000 and authorize the Executive Director to negotiate and enter into an agreement and take any other related actions as may be necessary to support this work; and
2. Authorize a budget increase to the FY 2016/17 Capital Budget in the amount of \$7,065,000 to support full funding of this project.

Mr. Stahnke explained that the selection of the recommended design/build/deliver Contractor had been made using a two-step sealed Request for Proposals (RFP) process in accordance with WETA's Administrative Code and Federal Transit Administration procurement requirements. He said that this Best Value procurement process considered both price and qualitative components of proposals deemed the most advantageous and of the greatest value to WETA.

Mr. Stahnke explained that following Vigor Kvichak's submission of its Step 2 proposal, Vigor Kvichak notified WETA that it may submit a bid protest if the Board awarded the contract to Dakota Creek Industries. He said Vigor Kvichak stated that Aurora Marine Design's participation on Dakota Creek Industry's team could result in an organizational conflict of interest because Aurora Marine Design performs certain consulting work for WETA. He said that Vigor Kvichak did not submit a formal bid

protest but nonetheless, WETA investigated the potential organizational conflict of interest and based on information obtained to date, concluded that Aurora Marine Design's participation on Dakota Creek Industry's team did not create an organizational conflict.

Mr. Stahnke introduced WETA contractor for the Construction Management Services of the vessels, Martin Robbins, as well as Dakota Creek Industries Program Manager Hollie Anthonyz who were both in attendance at the meeting. Ms. Rannells said she, Mr. Stahnke and Mr. Robbins had recently visited the shipyard and were impressed with the Dakota Creek Industries facility and its capabilities.

### **PUBLIC COMMENT**

Berkeley resident Bruce Lockey said that staff should have a look at the Vancouver Metro SeaBus because it was also a great ferry system. He also suggested that WETA publish a master schedule for all of the ferries operating on the San Francisco Bay. He thanked WETA staff and Directors for their work and for allowing him to address the Board.

Vice Chair Wunderman made a motion to approve the item.

Director Donovan seconded the motion and the item carried unanimously.

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

### **10. APPROVE CONTRACT AWARD TO GHIRARDELLI ASSOCIATES, INC. FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE RICHMOND FERRY TERMINAL PROJECT**

Senior Planner Mike Gougherty presented this item to approve contract award for construction management services for the Richmond Ferry Terminal project to Ghirardelli Associates, Inc. in an amount up to \$900,000 and authorize the Executive Director to negotiate and execute the contract and take any other required actions to support this work.

Vice Chair Wunderman asked how much was the budget for the construction of the Richmond Terminal and Mr. Connolly said it was approximately \$18 million. Mr. Wunderman asked if 5 percent for a construction management contract was standard. Mr. Gougherty said the \$900,000 figure was below the standard for construction management on similar projects and said it was based primarily on WETA's historically lower percentages for such contracts.

Director Intintoli made a motion to approve the item.

Director Donovan seconded the motion and the item carried unanimously.

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

### **11. DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT UPDATE**

Mr. Gougherty presented this informational item and explained that the Downtown San Francisco Ferry Terminal Expansion (DFTX) project was being developed by WETA to expand and improve facilities at the existing ferry terminal in downtown San Francisco. He explained that the project would include construction of two new ferry gates (F and G), landside pedestrian circulation improvements, installation of amenities such as weather-protected areas for passenger queuing, and covering of the current "lagoon" area south of the Ferry Building to enhance WETA's emergency response capabilities.

Mr. Gougherty said the project had been in planning and development since 2010 and design efforts had been ongoing for the last two years and had included addressing projected sea level rise over the next 50 years with 100 years of adaptive mitigation measures. He further explained that other design

challenges addressed had included accessibility for the myriad users of the area other than WETA ferry riders such as visitors to the Ferry Building Marketplace, general recreation, other transit services users, and Farmer's Market participants. Mr. Gougherty said that the planned improvements would mitigate seismic activity disruption and help assure that the facilities remain operational after an earthquake.

Mr. Gougherty said that staff had developed a plan that would allow WETA to start construction of the project next year and open the new facilities for use by late 2019. He presented a slideshow with further details on the project, including a net zero energy use objective that incorporated photovoltaic panels into the weather protection canopy. Mr. Gougherty said more than half of the permits required for the project had already been secured and noted that the project's most challenging mitigation requirement was a work window of June 1 through November 30 for the waterside construction to mitigate disruption to threatened or endangered species in the construction areas. He said that to meet the project schedule, dredging, partial demolition, and some pile driving work would need to begin in the 2017 work window. Mr. Gougherty explained that the objective was to have about half of the 200-300 piles driven by the close of the work window in 2017 and noted that this would help assure that Gate E could be taken offline without disrupting daily service operations while the balance of the project's construction was completed.

Chair Breckenridge asked how much staff time was going to be involved in managing this project and Mr. Connolly said that in the Planning Department alone he anticipated that it would require a full time employee's attention. Mr. Gougherty said that this project was going to require considerable staff work, as well as a lot of attention from the Board.

**12. APPROVE CONTRACT AWARD TO CH2M HILL ENGINEERS FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT**

Mr. Gougherty presented this item to approve contract award for construction management services for the DFTX project to CH2M Hill Engineers (CH2M) in an amount up to \$3,300,000. He explained that on April 7, 2016, the Board authorized release of a RFP to provide construction management services for the project and it was released and circulated to over 400 firms on the WETA technical consultant list and posted to the agency website consistent with the WETA Administrative Code. He said the RFP was also advertised in the Business Outreach Committee quarterly newsletter and a total of six proposals had been received. Mr. Gougherty said that five of those offerors were interviewed, and CH2M had been identified as the strongest of the five by the scoring panel.

Mr. Gougherty said that in particular, the panel had rated CH2M highest based on their qualifications and previous experience providing construction management services for similarly complex marine construction projects. He added that CH2M had strong knowledge and familiarity with the Construction Manager at Risk (CMAR) project delivery process and they would serve as WETA's "Owner's Representative," providing oversight and support during the CMAR selection process, early construction work, finalization of project design work and permitting, negotiation of a guaranteed maximum price for construction, and full construction management and closeout of the project.

Mr. Gougherty said that this contract would be managed on a task order basis during the course of project development, procurement and construction, and consultant billing would be based upon the time spent by the consultant's employees to perform the work as well as for materials used during the process.

Director Donovan made a motion to approve the item.

Director Intintoli seconded the motion and the item carried unanimously.

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

**13. APPROVE AGREEMENT WITH CALIFORNIA STATE COASTAL CONSERVANCY TO PROVIDE ENVIRONMENTAL MITIGATION FOR DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION AND RICHMOND FERRY TERMINAL PROJECTS**

Mr. Gougherty presented this item to authorize the Executive Director to execute an agreement in an amount not to exceed \$1,330,000 with the California State Coastal Conservancy (CSCC) to provide environmental mitigation for the DFTX and Richmond Ferry Terminal projects. He explained that in order to secure authorization from the National Marine Fisheries Service and BCDC to construct the DFTX and the Richmond Ferry Terminal projects, WETA was required to provide .74 acres of fill removal in San Francisco Bay to mitigate potential environmental impacts under Section 7 of the Endangered Species Act and Essential Fish Habitat provisions of the Magnuson Stevens Fishery Conservation and Management Act.

Mr. Gougherty said that in July 2016, WETA approached the CSCC, a non-regulatory state agency that supports projects to protect coastal resources, to inquire about potential opportunities to fund projects to remove fill in San Francisco Bay. He said that the CSCC indicated that funding was still needed for a project to remove nearly two acres of fill near the Terminal Four site in Richmond at the northwestern tip of Point San Pablo and that .74 acres could be removed on WETA's behalf at a cost of \$1,330,000 (.65 acres for DFTX for \$1,155,000 and .09 acres for Richmond for \$175,000).

Mr. Gougherty explained that in general, few opportunities existed along San Francisco Bay to remove fill, and the few opportunities that did exist were in high demand by project sponsors seeking to fulfill environmental mitigation requirements. He said that WETA's environmental consultants had reviewed the proposal by the CSCC and determined that the cost was fair and reasonable. He said that WETA had also confirmed with NMFS and BCDC that this arrangement would satisfy their mitigation requirements for both the DFTX and Richmond Ferry Terminal projects.

Director Intintoli made a motion to approve the item.

Director Donovan seconded the motion and the item carried unanimously.

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

**14. ADOPTION OF THE FINAL 2016 WETA STRATEGIC PLAN**

Mr. Connolly presented this item to adopt the final 2016 WETA Strategic Plan (Plan) which had been in development since March 2015. He said the Board had participated in two workshops in 2015 to support development of the Plan that had been shared with stakeholders, future potential partners, as well as the public in numerous outreach efforts. Mr. Connolly said that the Plan had also received the focus and work of a group created by Chair Breckenridge in 2016 which had also revised the WETA Mission and Vision statements. Mr. Connolly said that the current revision of the Plan presented a 20 year expanded vision that included 44 vessels and 16 terminals to carry 16 million passengers annually.

Mr. Connolly shared a slideshow with the Board and explained that the revised Plan presented a more positive and expanded vision for the next 20 years than the prior Plan had allowed. He said that the revised Plan included a stronger commitment to greener technology vessels as possible in the future as well as an enhanced emergency response component that focused on economic recovery.

Director Donovan said the revised document's plans were very exciting, and he thanked Mr. Connolly for the presentation and for his efforts in the working group meetings.

Chair Breckenridge said she was pleased with the transformation of the document and thanked Vice Chair Wunderman and Director Donovan for participating in the most recent working group, as well as WETA staff for their work on the final revision. She said that Vice Chair Wunderman had also asked her to send along his appreciation for staff's work and diligence on the document.

Director Intintoli said he thought the Plan was excellent, and he remained concerned about how WETA would be able to find and secure the \$844 million expressed in 2016 dollars for the capital funding that would be required to execute its vision. He said it was one thing to talk about what one wants and another thing entirely to pay for it. He said his hope was that funding strategies would be as earnestly pursued as expansion inclusions and that operational funding must be sought from Regional Measure 3. He cautioned that all future funding was going to require enormous and tenacious efforts which would be both political and competitive.

Chair Breckenridge said that because the Board had just received the document that week, she would like to hold off on its adoption until the October Board meeting after Directors had the time to give the proposed final revisions their due diligence. The Directors agreed, and Director Donovan said that doing so would also allow Vice Chair Wunderman and Director DelBono, who were absent for the item, the ability to share their feedback and have their votes included in the Plan adoption.

#### **15. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS**

Veronica Sanchez of Masters, Mates & Pilots (MM&P) thanked the Board and staff for the effort put forth on the Plan. She said all of the vessels and terminals meant there would be lots of jobs for MM&P members. Ms. Sanchez said she was excited about the employment potential for future operations crews, as well as the possibility on the capital side that WETA will employ MM&P members in the tugboat work required to build out all of the new facilities that were laid out in the Plan. Ms. Sanchez suggested that the information about partnerships in the Plan be modified to include labor organizations, business, environmental agencies, and community groups in an advocacy capacity, especially with regard to funding pursuits.

Chair Breckenridge said advocacy partnerships were a fundamental component of the process and that none of the implementation plans would happen without them. She said being more specific about that under the objectives section of the Plan could help make that more explicit. Ms. Sanchez suggested adding the word advocate to the section in the Plan regarding identifying new sources of stable operating funding for future services.

Chair Breckenridge thanked Ms. Sanchez for her comments. She commended the WETA staff for their work and thanked Program Manager/Analyst Lauren Gularte for her work on the Disadvantaged Business Enterprise, Small Business and Contracts Diversity Program documents the Board had adopted in the Consent Calendar.

All business having been concluded, the meeting was adjourned at 3:16 p.m.

Respectfully Submitted,  
Board Secretary

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MEMORANDUM

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**TO:** Board Members

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

**SUBJECT:** Authorize Release of a Request for Proposals for the MV *Solano*  
Propulsion Train Subcomponent Replacement Project and Upgrades

**Recommendation**

Authorize release of a Request for Proposals (RFP) for the MV *Solano* Propulsion Train Subcomponent Replacement Project and Upgrades.

**Background**

The MV *Solano* was built by Dakota Creek Industries, Inc. in 2004. The Propulsion Train Subcomponent Replacement Project and Upgrades will improve vessel machinery reliability and passenger amenities. This project is required to ensure the vessel operates reliably and safely, and is necessary to support operation of this vessel in revenue service for its full 25 year life expectancy.

**Discussion**

This project on the MV *Solano* and will include the following components:

- Replacement of bearings and shafting between the main propulsion engines and marine reduction gears.
- Installation of LED lighting in the passenger cabins and construction of additional bicycle racks.

The MV *Solano* project is planned for winter/spring 2016/17 and will be coordinated with other winter maintenance of North Bay vessels. Staff anticipates being in a position to return to the Board with a recommendation for contract award for this work later this fall.

**Fiscal Impact**

There is no fiscal impact associated with the release of the project RFP. This project is included in the FY 2016/17 Capital Budget at a cost of \$430,000 funded with Federal Transit Administration (FTA) grant funds and Regional Measure 1 – 2% Capital (RM1 – 2%) funds.

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

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**MEMORANDUM**

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**TO: Board Members**

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

**SUBJECT: Authorize Release of an Invitation for Bids for Purchase of Fuel for North Bay Ferry Operations**

**Recommendation**

Authorize the release of Invitation for Bids (IFB) for Fuel for North Bay Ferry Operations.

**Background**

The City of Vallejo directly operated Baylink ferry service prior to the transition of ferry operations to WETA in 2012. All City contracts related to the ferry service were transferred to WETA. This included a contract with Pinnacle Petroleum for the purchase and delivery of Ultra Low Sulfur Diesel fuel for North Bay ferry operations. This contract expires on January 1, 2017.

The North Bay Ferry service currently requires a daily delivery of approximately 4,000 gallons of fuel delivered to a single 6,000 gallon tank. With the opening of the new 48,000 gallon fueling facility, the daily delivery will change to a weekly delivery of approximately 28,000 gallons. North Bay fuel purchases for FY 2015/16 were 1,445,388 gallons at an average price per gallon of \$1.91 totaling \$2,758,119. The current contract rate for fuel with Pinnacle Petroleum is the Oil Price Information Service (OPIS) rack rate plus an add-on fee of \$.0256 per gallon for transportation costs and profit.

**Discussion**

This IFB will solicit qualified firms to deliver and provide fuel for ferry operations at the new North Bay Operations and Maintenance facility. WETA will request options for alternatives to Ultra Low Sulfur Diesel such as Bio-Diesel and Renewable Diesel as a part of the IFB process. Factors for considering alternative fuels will include engine manufacturer recommendations and approvals as well as pricing and availability.

Once authorized, staff will release the IFB to select a contractor for fuel purchase and delivery. Staff anticipates being in a position to return to the Board with a recommendation for contract award for fuel and delivery in December.

**Fiscal Impact**

There is no fiscal impact associated with the release of this IFB.

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

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MEMORANDUM

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**TO:** Board Members

**FROM:** Nina Rannells, Executive Director  
Chad Mason, Senior Planner

**SUBJECT:** Approve Revised Mitigation Measure and Adoption of Addendum No. 1 to the CEQA IS/MND and MMRP for the Central Bay Operations and Maintenance Facility Project

**Recommendation**

Approve revision of Mitigation Measure BIO-1 (MM BIO-1) in the Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) for the Central Bay Operations and Maintenance Facility project (Project) in the form of the attached Addendum No. 1 to the approved IS/MND.

**Discussion**

The WETA Board of Directors adopted the IS/MND and MMRP for the Project in June 2011. The IS/MND identified potentially significant effects; however, the implementation of mitigation measures identified in the IS/MND would reduce potentially significant effects to less-than-significant levels. The MMRP identifies responsible monitoring parties and milestones for each mitigation measure identified in the IS/MND. Since adoption of the IS/MND and MMRP, WETA has completed design of the facility and awarded a construction contract. The construction contractor is preparing to undertake the required dredging work in the 2016 dredging work window.

It has been brought to WETA's attention that the time constraint for dredging activities is inconsistent with other dredging projects in the Central Bay and would result in a longer dredging episode. The duration of the dredging episode would be reduced by two weeks if the daytime limitation is removed, allowing 24-hour dredging operations.

The IS/MND identified potential impacts from dredging and pile driving activities that could impact certain species in the vicinity of waterside construction area. Mitigation Measure BIO-1 was adopted as part of the IS/MND and MMRP to minimize impacts to marine mammals during dredging and pile driving activities. The MMRP requires WETA to implement a variety of measures during pile driving and dredging activities including resource agency coordination, pile driving and dredging time constraints, on-site biological monitors, establishment of safety zones for marine mammals, and other dredging specific measures. Among other provisions, MM BIO-1 requires that "work would occur only during daylight hours (7 a.m. to 7 p.m.) so that marine mammals are visible at all times during dredging and pile driving activities."

The resource agency permit conditions for the project do not impose time of day limitations on dredging activity. All of the measures included in MMBIO-1 are identified in the Incidental Harassment Authorization issued by the National Marine Fisheries Service for the Project and specifically apply to pile driving activities only. The WETA construction team has consulted with applicable resource agencies and determined that dredging during nighttime hours is acceptable. These agencies include the National Marine Fisheries Service, United States Fish and Wildlife Service, the Bay Conservation and Development Commission, and the City of Alameda.

The CEQA Guidelines authorize agencies to prepare an addendum to make technical revisions to a previously approved negative declaration if none of the conditions described in CEQA Guidelines section 15162 calling for preparation of a subsequent EIR or negative declaration have occurred. (CEQA Guidelines, § 15164.) Where an EIR or negative declaration was approved for a project, CEQA Guidelines section 15162 prohibits agencies from preparing a subsequent EIR or negative declaration unless the agency determines that (1) substantial changes in the project are proposed which will require major revisions to the EIR or negative declaration, (2) substantial changes occur with respect to circumstances under which the project is undertaken which will require major changes to the EIR or negative declaration, (3) or new information of substantial importance, which was not known and could not have been known and the time of the preparation of the EIR or approval of the negative declaration, shows that the project (a) will have one or more significant effects not discussed in the previous EIR or negative declaration, (b) significant effects previously examined will be substantially more severe, (c) mitigation measures found not to be feasible would in fact be feasible, or (d) mitigation measures or alternatives which are considerably different from those previously analyzed would substantially reduce one of more significant effect on the environment. (CEQA Guidelines, § 15162.)

The proposed change for 24-hour dredging activity does not require major revisions to the IS/MND because the proposed change only applies Mitigation Measure BIO-1. All analysis in the IS/MND for dredging activity will remain accurate and unchanged. All other mitigation measures in the IS/MND that address dredging activity will remain unchanged and will be implemented as adopted. The change to 24-hour dredging does not introduce new significant effects that were not previously discussed in the IS/MND because a thorough analysis of dredging activity was conducted and the overall size of the dredging project has not changed. The effects of the proposed dredging activity will not be more severe than what was analyzed in the IS/MND because the size of the dredging project has not changed and all other dredging-related mitigation measures will remain unchanged. The mitigation measures proposed in the IS/MND remain feasible and unchanged and will reduce effects from dredging activity to less-than-significant levels as concluded in the IS/MND.

Staff recommends adoption of Addendum No. 1 to the IS/MND and MMRP for the project to revise MM BIO-1, which is provided as **Attachment A**. The proposed revision only removes the daylight time constraint for dredging activity, all other construction related mitigation measures for dredging and pile driving activity will remain as adopted in the IS/MND and MMRP.

**Fiscal Impact**

There is no fiscal impact associated with this item.

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

**Addendum No. 1**

**to**

**INITIAL STUDY/MITIGATED NEGATIVE DECLARATION AND  
MITIGATION MONITORING AND REPORTING PROGRAM**

**for the**

**Central Bay Operations and Maintenance Facility (SCH #2011042005)**

**Revisions to Mitigation Measure BIO-1**

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

**October 2016**

## Introduction

The WETA Board of Directors adopted the IS/MND and MMRP for the Project in June 2011 concluding that the implementation of mitigation measures identified in the IS/MND would reduce potentially significant effects to less-than-significant levels. The MMRP identifies responsible monitoring parties and milestones for each mitigation measure identified in the IS/MND. Since adoption of the IS/MND and MMRP, WETA has completed design of the facility and awarded a construction contract.

It has been brought to WETA's attention that the time constraint for dredging activities is inconsistent with other dredging projects in the Central Bay and would result in a much longer dredging episode. The duration of the dredging episode would be reduced by two weeks if the daytime limitation is removed, allowing 24-hour dredging operations.

The IS/MND identified potential impacts from dredging and pile driving activities that could impact certain species in the vicinity of waterside construction area. Mitigation Measure BIO-1 was adopted as part of the IS/MND and MMRP to minimize impacts to marine mammals during dredging and pile driving activities. The MMRP requires WETA to implement a variety of measures during pile driving and dredging activities including resource agency coordination, pile driving and dredging time constraints, on-site biological monitors, establishment of safety zones for marine mammals, and other dredging specific measures. Among other provisions, MM BIO-1 requires that "work would occur only during daylight hours (7 a.m. to 7 p.m.) so that marine mammals are visible at all times during dredging and pile driving activities."

The resource agency permit conditions for the project do not impose time of day limitations on dredging activity. All of the measures included in MMBIO-1 are identified in the Incidental Harassment Authorization issued by the National Marine Fisheries Service for the Project and specifically apply to pile driving activities only. The WETA construction team has consulted with applicable resource agencies and determined that dredging during nighttime hours is acceptable. These agencies include the National Marine Fisheries Service, United States Fish and Wildlife Service, the Bay Conservation and Development Commission, and the City of Alameda. Agency correspondence is attached to the Addendum.

Mitigation Measure BIO1 currently provides as follows:

### **Mitigation Measure BIO1: Minimize Harassment to Marine Mammals during Dredging and Pile Driving Activities**

- During the project permitting phase, NMFS will be consulted to determine if an Incidental Harassment Authorization would be needed for dredging or pile driving activities.
- Work would occur only during daylight hours (7 a.m. to 7 p.m.) so that marine mammals are visible at all times during dredging and pile driving activities.
- A qualified biological monitor would visually survey the area 1 day prior to the start of dredging or pile driving activities to establish a baseline.

- A safe zone would be enforced during dredging and pile driving operations. A marine mammal monitor would survey the area prior to the startup of dredging or pile driving equipment.
- Installation would not begin until no marine mammals are sighted within a designated “safe zone” for at least 15 minutes prior to the initiation of the activity.
- For dredging or pile driving activities, the proposed safety zone would be a radius of 1,000 feet from the dredging or pile driving location or distance at which the noise would be below 180 dB.
- Once activities begin, work would continue until completed. Between pile driving of different piles, the monitor would again confirm that the safety zone is clear of marine mammals.
- The construction contractor would establish daily “soft-start” or “ramp-up” procedures for pile-driving activities. This technique would be used at the beginning of each piling installation to allow any marine mammal that may be in the area to leave before pile driving activities reach full energy. The contractor would provide an initial three strikes at reduced energy (40%), followed by a 1-minute waiting period, then subsequent 3-strike sets.

WETA is proposing to revise Mitigation Measure BIO-1 to read as follows: (including text of proposed measure)

**Mitigation Measure BIO1: Minimize Harassment to Marine Mammals during Dredging and Pile Driving Activities**

- During the project permitting phase, NMFS ~~will~~ was be consulted to determine if and it was determined that an Incidental Harassment Authorization would be needed for ~~dredging or~~ pile driving activities.
- Work would occur only during daylight hours (7 a.m. to 7 p.m.) so that marine mammals are visible at all times during ~~dredging and~~ pile driving activities.
- A qualified biological monitor would visually survey the area 1 day prior to the start of dredging or pile driving activities to establish a baseline.
- A safe zone would be enforced during dredging and pile driving operations. A marine mammal monitor would survey the area prior to the startup of dredging or pile driving equipment.
- Installation would not begin until no marine mammals are sighted within a designated “safe zone” for at least 15 minutes prior to the initiation of the activity.

The resource agency permit conditions for the project do not impose time of day limitations on dredging activity. The WETA construction team has consulted with applicable resource agencies and determined that dredging during nighttime hours is acceptable. These agencies include the National Marine Fisheries Service, United States Fish and Wildlife Service, the Bay Conservation and Development Commission, and the City of Alameda.

The CEQA Guidelines authorize agencies to prepare an addendum to make technical revisions to a previously approved negative declaration if none of the conditions described in CEQA Guidelines section 15162 calling for preparation of a subsequent EIR or negative declaration have occurred. (CEQA Guidelines, § 15164.) Where an EIR or negative declaration was approved for a project, CEQA Guidelines section 15162 prohibits agencies from preparing a subsequent EIR or negative declaration unless the agency determines that (1) substantial changes in the project are proposed which will require major revisions to the EIR or negative declaration, (2) substantial changes occur with respect to circumstances under which the project is undertaken which will require major changes to the EIR or negative declaration, (3) or new information of substantial importance, which was not known and could not have been known and the time of the preparation of the EIR or approval of the negative declaration, shows that the project (a) will have one or more significant effects not discussed in the previous EIR or negative declaration, (b) significant effects previously examined will be substantially more severe, (c) mitigation measures found not to be feasible would in fact be feasible, or (d) mitigation measures or alternatives which are considerably different from those previously analyzed would substantially reduce one of more significant effect on the environment. (CEQA Guidelines, § 15162.)

The proposed change for 24-hour dredging activity does not require major revisions to the IS/MND because the proposed change only applies Mitigation Measure BIO-1. All analysis in the IS/MND for dredging activity will remain accurate and unchanged. All other mitigation measures in the IS/MND that address dredging activity will remain unchanged and will be implemented as adopted. The change to 24-hour dredging does not introduce new significant effects that were not previously discussed in the IS/MND because a thorough analysis of dredging activity was conducted and the overall size of the dredging project has not changed. The effects of the proposed dredging activity will not be more severe than what was analyzed in the IS/MND because the size of the dredging project has not changed and all other dredging-related mitigation measures will remain unchanged. The mitigation measures proposed in the IS/MND remain feasible and unchanged and will reduce effects from dredging activity to less-than-significant levels as concluded in the IS/MND.

### **Revised Mitigation Measure BIO-1**

IS/MND and MMRP, Mitigation Measure BIO-1 is revised as presented below.

- IS/MND Chapter 1, Introduction.  
Table 1-1. Summary of Impacts and Mitigation Measures for the Proposed Project.  
Page 1-5.
- IS/MND Chapter 3, Environmental Checklist.



Mitigation Measure BIO-1: Minimize Harassment to Marine Mammals during Dredging and Pile Driving Activities.

Page 3-34.

- MMRP  
Mitigation Measure BIO-1: Minimize Harassment to Marine Mammals during Dredging and Pile Driving Activities.  
Page 7.

### **Mitigation Measure BIO1: Minimize Harassment to Marine Mammals during Dredging and Pile Driving Activities**

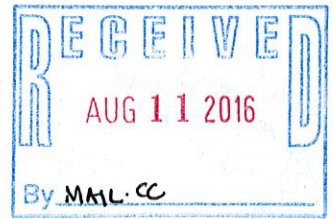
- During the project permitting phase, NMFS was consulted and it was determined that an Incidental Harassment Authorization would be needed for pile driving activities.
- Work would occur only during daylight hours (7 a.m. to 7 p.m.) so that marine mammals are visible at all times during pile driving activities.
- A qualified biological monitor would visually survey the area 1 day prior to the start of dredging or pile driving activities to establish a baseline.
- A safe zone would be enforced during dredging and pile driving operations. A marine mammal monitor would survey the area prior to the startup of dredging or pile driving equipment.
- Installation would not begin until no marine mammals are sighted within a designated "safe zone" for at least 15 minutes prior to the initiation of the activity.
- For dredging or pile driving activities, the proposed safety zone would be a radius of 1,000 feet from the dredging or pile driving location or distance at which the noise would be below 180 dB.
- Once activities begin, work would continue until completed. Between pile driving of different piles, the monitor would again confirm that the safety zone is clear of marine mammals.
- The construction contractor would establish daily "soft-start" or "ramp-up" procedures for pile-driving activities. This technique would be used at the beginning of each piling installation to allow any marine mammal that may be in the area to leave before pile driving activities reach full energy. The contractor would provide an initial three strikes at reduced energy (40%), followed by a 1-minute waiting period, then subsequent 3-strike sets.

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# San Francisco Bay Conservation and Development Commission

455 Golden Gate Avenue, Suite 10600, San Francisco, California 94102 tel 415 352 3600 fax 415 352 3606

August 9, 2016



Mike Gougherty  
Project Manager  
Water Emergency Transportation Authority  
Pier 9, Suite 111, The Embarcadero  
San Francisco, CA 94111

SUBJECT: WETA Central Bay Operations & Maintenance Facility  
BCDC Permit No. 2014.002.01; 24/7 Dredging Allowance - 2016

Mr. Gougherty:

The requirement in BCDC Permit No. 2014.002.01, Special Condition II.F which limits construction during daylight hours to protect California Least Tern, does not apply to the initial dredging activity authorized in the permit, so long as the United States Fish and Wildlife Service approves of the activity and local ordinances do not prohibit dredging from dusk until dawn. No formal permit modification is required for dredging activity during this period, and all other terms of the permit must be complied with.

If you have any questions, feel free to contact me at 415-622-6613 or by email at [erik.buehmann@bcdc.ca.gov](mailto:erik.buehmann@bcdc.ca.gov)

Sincerely,

A handwritten signature in blue ink, appearing to read "Erik Buehmann", with a long horizontal flourish extending to the right.

ERIK BUEHMANN  
Principal Permit Analyst

EB/go

cc: City and County of Alameda Planning Office

**From:** [Marc Service](#)  
**To:** [Marc Service](#)  
**Subject:** FW: WETA CB - 24/7 Dredging Allowance  
**Date:** Thursday, September 01, 2016 11:20:42 AM  
**Attachments:** [image001.png](#)

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**From:** Shane Guan - NOAA Federal [mailto:shane.guan@noaa.gov]  
**Sent:** Tuesday, August 09, 2016 5:31 AM  
**To:** Marc Service  
**Subject:** Re: WETA CB - 24/7 Dredging Allowance

Hi Marc,

Thanks for the note. But we do not authorize specific activities under the MMPA - we only authorize takes of marine mammals if our analyses show that such takes have negligible impact to the species/population and meet the "small number" criteria. That said, our analyses on the issuance of the IHA to WETA indicate that no takes of marine mammal would occur from dredging activities, as defined under the MMPA. Also, it is not our practice to issue a letter as you requested. Perhaps you can show your CM our e-mail communication, and please feel free to call me if they have any questions. My phone number is listed at the end of this e-mail.

Thanks,  
Shane

On Fri, Aug 5, 2016 at 1:00 PM, Marc Service <[mbservice@powerengconstruction.com](mailto:mbservice@powerengconstruction.com)> wrote:  
Shane,

I realize that your permit doesn't state dredging as a factor in the mammal takes for your project analysis, however our CM would like to see the agency's allow the 24/7 in a letter. Your permit states "construction activities", which should apply to the activities listed in your permit (pile driving), however they would like clarification.

Would you be ok filling out and signing the attached letter? Sorry for any inconvenience.

Thank you,

Marc

Marc Service  
Project Manager

cell: [\(415\)264-0715](tel:(415)264-0715)

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Power Engineering Construction Co.  
1501 Viking Street, Suite 200 I Alameda, CA 94501  
[PowerEngConstruction.com](http://PowerEngConstruction.com)



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Shane Guan, Ph.D.

National Marine Fisheries Service  
Office of Protected Resources  
1315 East-West Highway, Suite 13826  
Silver Spring, MD 20910

Tel: 301-427-8401

**From:** [Marc Service](#)  
**To:** [Marc Service](#)  
**Subject:** RE: WETA Central Bay Operations & Maintenance Facility - Dredging  
**Date:** Wednesday, August 31, 2016 4:51:48 PM  
**Attachments:** [image001.png](#)

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**From:** Olah, Ryan [mailto:[ryan\\_olah@fws.gov](mailto:ryan_olah@fws.gov)]  
**Sent:** Thursday, August 18, 2016 1:16 PM  
**To:** Marc Service  
**Subject:** Re: WETA Central Bay Operations & Maintenance Facility - Dredging

**Marc,**

We would not usually write up something like this in a formal record. The Email is an official record of the approval, and we will put it in our record for the project.

**Ryan**

**Ryan Olah**  
**Coast Bay Division Chief**  
**U.S. Fish and Wildlife Service**  
**Sacramento Fish and Wildlife Office**  
**2800 Cottage Way**  
**Sacramento, CA 95825**  
**(916) 414-6623**

On Fri, Aug 5, 2016 at 9:55 AM, Marc Service <[mSERVICE@powerengconstruction.com](mailto:mSERVICE@powerengconstruction.com)> wrote:

Ryan,

Our CM (4Leaf Construction) is looking for the 24/7 dredging allowance stated in a letter.

Would you be ok with filling out and signing the attached letter? Sorry for the inconvenience, I was assuming an email would do the trick.

Thank you,

MArc

Marc Service  
Project Manager

cell: (415)264-0715

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**Power Engineering Construction Co.**  
1501 Viking Street, Suite 200 I Alameda, CA 94501  
[PowerEngConstruction.com](http://PowerEngConstruction.com)



**From:** Olah, Ryan [mailto:[ryan\\_olah@fws.gov](mailto:ryan_olah@fws.gov)]  
**Sent:** Friday, July 01, 2016 7:37 AM  
**To:** Marc Service  
**Subject:** Re: WETA Central Bay Operations & Maintenance Facility - Dredging

Marc,

This is confirm that as long as all of the other conservation measures described in our March 6, 2013 letter are followed, that dredging activities may occur 24 hours a day. Let me know if you have any further questions.

Ryan

Ryan Olah  
Coast Bay Division Chief  
U.S. Fish and Wildlife Service  
Sacramento Fish and Wildlife Office  
2800 Cottage Way  
Sacramento, CA 95825  
(916) 414-6623

On Tue, Jun 28, 2016 at 3:01 PM, Marc Service <[mSERVICE@powerengconstruction.com](mailto:mSERVICE@powerengconstruction.com)> wrote:  
Ryan,

We spoke on the phone last week about the WETA CB project, where we will perform around 30,000 CY of dredging near Alameda point for the above referenced project. Our intention is to start this work in October 2016, with the work lasting 2-3 weeks.

In your agency's permit (attached), item no. 3 under "Conservation Measures" requires all construction activities be limited to daylight hours. We are interested in confirming if the intent here was to include dredging as part of this requirement, and if so, we would like to put a formal request in to allow an exception that would allow dredging to take place 24/7. All other terms of the permit would remain unchanged.

I have spoken with BCDC, NFMFS, and RWQCB as well. NMFS has confirmed their marine mammal takes are not associated with the dredging activities on the project. BCDC is confirming with their dredging department, however at first look it appears them and RWQCB have basically referenced your permit for this requirement.

Let me know if you have any questions, and I appreciate you taking a look at this.

Thank you,

Marc

Marc Service  
Project Manager

cell: (415)264-0715

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Power Engineering Construction Co.  
1501 Viking Street, Suite 200 I Alameda, CA 94501  
PowerEngConstruction.com





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

**RESOLUTION NO. 2016-27**

**ADOPT ADDENDUM NO. 1 TO THE MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE CENTRAL BAY OPERATIONS AND MAINTENANCE FACILITY**

**WHEREAS**, the San Francisco Bay Area Water Emergency Transportation Authority (WETA) desires to construct a Central Bay Operations and Maintenance Facility (Project) to serve as the base for WETA's central San Francisco Bay ferry fleet, Operations Control Center, and Emergency Operations Center; and

**WHEREAS**, the WETA has assumed the role of lead agency for approving the Project under the California Environmental Quality Act (CEQA at Public Resources Code § 21000 et seq.) and has conducted an Initial Study in accordance with Title 14, California Code of Regulations, § 15063 and prepared a Mitigated Negative Declaration in accordance with Title 14, California Code of Regulations, § 15070 et seq.; and

**WHEREAS**, the WETA adopted the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Project on June 2, 2011; and

**WHEREAS**, certain revisions to Mitigation Measure BIO-1 as adopted as part of the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Project were considered by the Authority on October 6, 2016 ; and

**WHEREAS**, the WETA has caused Addendum No. 1 ("Addendum") to the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Project revisions in accordance with the California Environmental Quality Act Guidelines § 15164 which included revisions to Mitigation Measure BIO-1 and documents that the revisions do not require preparation of a subsequent or supplemental Mitigated Negative Declaration in accordance with CEQA § 15162, which Addendum is attached hereto as Exhibit A; and

**WHEREAS**, an addendum need not be circulated for public review but is attached to the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program; and

**WHEREAS**, the WETA staff has recommended adoption of Addendum No. 1 to the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Project, now, therefore be it

**RESOLVED**, that the Board of Directors hereby approves Addendum No. 1 to the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Project

**CERTIFICATION**

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on October 6, 2016.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary

2016-27

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

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MEMORANDUM

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director  
Mike Gougherty, Senior Planner**

**SUBJECT: Authorize Execution of a Lease Disposition and Development Agreement with the Port of San Francisco for Construction of the Downtown San Francisco Ferry Terminal Expansion**

**Recommendation**

Authorize the Executive Director to negotiate and execute a Lease Disposition and Development Agreement with the Port of San Francisco for construction of the Downtown San Francisco Ferry Terminal Expansion.

**Background/Discussion**

Consistent with the Memorandum of Understanding (MOU) executed between WETA and the Port of San Francisco in 2015, staff has negotiated an agreement that would grant WETA construction lease rights for the Downtown San Francisco Ferry Terminal Expansion. Under the proposed Lease Disposition and Development Agreement (LDDA), the Port would grant WETA temporary possession of the project site, including designated construction areas, for the anticipated construction duration of the project, free of rent. The LDDA would require that WETA construct the project consistent with the current schematic design, secure various Port and regulatory approvals needed to construct the project, adhere to certain local contracting and insurance requirements, assume responsibility for potential risks associated with project site, such as the condition of the seawall, and comply with other such requirements that are typically required by the Port's standard form of LDDA.

Per terms of the proposed LDDA, WETA would be responsible for the construction cost of the project with the exception of partial funding provided by the Port for the rehabilitation of the Gate E float, which is contingent on WETA securing the anticipated federal funds required to support the float rehabilitation work. If the float rehabilitation is completed as part of the project, ownership and control of Gate E would be transferred to WETA, subject to future agreement.

After completion of the project, the LDDA sets forth that WETA and the Port will execute a long-term Lease granting WETA ownership of all new waterside facilities (floats, gangways, piles, portals) constructed as part of the project and potentially facilities at Gate E, as well. Pursuant to the 2015 MOU, WETA would directly control these facilities and be responsible for future maintenance, operation, rehabilitation, and replacement requirements. Ownership of the landside facilities (plaza and promenade areas) would be transferred to the Port upon construction completion, contingent on execution of a long-term License guaranteeing WETA access to these facilities for the purpose of operating its regular and emergency response ferry service. Consistent with the 2015 MOU, the Port would be responsible for operation, maintenance, rehabilitation, and replacement of all landside facilities, with the exception of certain amenities that are specifically for WETA use (canopies and signage).

Pending approval and execution of the LDDA, staff will proceed with negotiating specific terms and conditions for both the long-term Lease and License Agreements with the Port. Staff anticipates presenting these agreements to the Board for consideration prior to awarding a construction contract for the Downtown San Francisco Ferry Terminal Expansion.

**Fiscal Impact**

There is no fiscal impact associated with approval of the LDDA. This project is included in the FY 2016/17 Capital Budget with a total project budget of \$79,580,000 funded with a combination of Federal Transit Administration, State Proposition 1B, Regional Measure 2, and San Francisco County transportation sales tax funds.

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

MEMORANDUM

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**TO:** Board Members

**FROM:** Nina Rannells, Executive Director

**SUBJECT:** Approve a Project Labor Agreement for Construction of the Downtown San Francisco Ferry Terminal Expansion Project

**Recommendation**

Approve a Project Labor Agreement (PLA) for construction of the Downtown San Francisco Ferry Terminal Expansion Project and authorize the Executive Director to negotiate and execute the final agreement and take other such related actions to support this project.

**Background**

A PLA is a form of pre-hire agreement which is negotiated between a construction project owner and the local building and trades labor unions in the project area in order to promote efficiency of construction operations. A PLA is contractually binding and becomes a part of the bid specification that all winning contractors must follow. Once executed, a PLA remains in effect for the duration of project construction.

In 2013, the Board of Directors directed staff to work with county building trades councils in the San Francisco Bay Area to develop a standard form of PLA for use in conjunction with large construction projects, such as the North Bay Operations and Maintenance Facility, Central Bay Operations and Maintenance Facility, Richmond Ferry Terminal, and the Downtown San Francisco Terminal Expansion. In December 2013, the Board of Directors approved a Model Project Labor Agreement (PLA) to serve as the agency's template in developing project-specific PLAs. This model agreement was used as the basis for PLAs subsequently executed between WETA and the Napa-Solano Building Trades Council for the North Bay Operations and Maintenance Facility and for the Alameda County Building and Construction Trades Council for the Central Bay Operations and Maintenance Facility.

**Discussion**

WETA has worked with the San Francisco Building and Construction Trades Council to develop the terms of a PLA for the Downtown San Francisco Ferry Terminal Expansion Project based on the WETA's Model PLA (provided as **Attachment A**). The objective of the proposed agreement is to advance the public interest of promoting labor harmony and project efficiency during construction of the project. In support of these goals, the proposed PLA:

- Provides for uniformity in bidding work by identifying pre-established wages, work rules, and benefits for the multiple crafts employed on a project;
- Establishes a pre-job conference with all affected parties to review and clarify the work assignments up-front in order to avoid conflicts during construction;

- Identifies roles, responsibilities and procedures for addressing work disputes that may arise during construction in a timely and expeditious manner;
- Prohibits work stoppages, strikes and lockouts at the project construction site and identifies a process for expedited arbitration and resolution in the event of a breach of this provision; and
- Identifies various mechanisms for labor and management cooperation on matters of mutual interest and concern such as productivity, quality of work, safety and health.

Two additional provisions included in the proposed PLA that were included in both the Napa-Solano and Alameda County agreements previously authorized by the WETA Board include:

- A Core Employee provision, identifying a process for contractors to utilize their own local core workforce on the project; and
- A payment retention option in the dispute resolution process in order to facilitate expeditious closure of issues and minimize project disruption.

The core worker provision recognizes the Council's unions as the primary source of craft labor employed on the project. However, in the event that a contractor proposes to utilize its own local core workforce, the agreement allows for a limited number of "core employees" to be utilized on the project through a prescribed process.

If approved by the Board, the agreement would be between the WETA and the Council, and its signatory unions, for construction work to be performed by any of these groups on the project. The winning project construction contractor/employer, and any sub-contractors, would be required to comply with and be bound by the agreement through a Letter of Assent.

**Fiscal Impact**

There is no fiscal impact associated with this item.

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

**Attachment A**

**PROJECT LABOR AGREEMENT  
FOR CONSTRUCTION OF THE SAN FRANCISCO BAY AREA WATER  
EMERGENCY TRANSPORTATION AUTHORITY DOWNTOWN SAN FRANCISCO  
FERRY TERMINAL EXPANSION PROJECT**

This Agreement is entered into this \_\_\_ day of \_\_\_\_\_, 2016 by and between the San Francisco Bay Area Water Emergency Transportation Authority (hereinafter, the "WETA" or "Owner"), together with contractors and/or subcontractors, who become signatory to this Agreement by signing the "Letter of Assent" (Addendum A) (all of whom are referred to herein as "Contractors/Employers"), and the San Francisco Building & Construction Trades Council ("Council") and its affiliated local Unions that have executed this Agreement (all of whom are referred to collectively as "Union" or "Unions").

The purpose of this Agreement is to promote efficiency of construction operations during construction of the WETA Downtown San Francisco Ferry Terminal Expansion Project (defined below) by providing for the orderly and peaceful settlement of labor disputes and grievances without strikes, work stoppages or lockouts, thereby promoting the public interest in assuring the timely and economical completion of the Project.

WHEREAS, WETA has developed a project to expand vessel berthing and passenger loading capacity at the existing San Francisco ferry building and terminal site, located at Embarcadero and Market in downtown San Francisco, to support the operation of expanded ferry services to and from downtown San Francisco and other terminals throughout the San Francisco Bay Area; and

WHEREAS, this Agreement is intended solely for WETA's Downtown San Francisco Ferry Terminal Expansion Project, which includes the construction of landside and waterside facilities and infrastructure (the "Project"); and

WHEREAS, the timely and successful completion of the Project is of the utmost importance to WETA and the general public; and

## **Attachment A**

WHEREAS, large numbers of workers of various skills will be required in the performance of the construction work, including those to be represented by the Unions signatory to this Agreement employed by contractors and subcontractors who are also signatories to this Agreement; and

WHEREAS, it is recognized that on a project of this magnitude with multiple contractors and bargaining units on the job site at the same time over an extended period of time, there is the potential for work disruption that could negatively impact the continuity of work and the Project schedule; and

WHEREAS, the interests of the general public, WETA, the Unions and Contractor/Employer(s) would be best served if the construction work proceeded in an orderly manner without disruption because of strikes, sympathy strikes, work stoppages, picketing, lockouts, slowdowns or other interferences with work; and

WHEREAS, WETA, the Contractor/Employer(s) and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on the Project by the Contractor/Employer(s), and further, to encourage close cooperation among the Contractor/Employer(s) and the Union(s) so that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, the parties agree that one of the primary purposes of this Agreement is to avoid the tensions that might arise on the Project if Union and non-union workers of different employers were to work side by side on the Project thereby leading to labor disputes that could delay completion of the Project; and

WHEREAS, this Agreement is not intended to replace, interfere with, abrogate, diminish or modify existing local or national collective bargaining agreements in effect during the duration of the Project, insofar as a legally binding agreement exists between the Contractor/Employer(s) and the affected Union(s) except to the extent that the provisions of this Agreement are inconsistent with said collective bargaining agreements, in which event, the provisions of this Agreement shall prevail; and



## **Attachment A**

WHEREAS, the parties hereto are committed to constructing the Project safely and efficiently and the Unions are committed to staffing Project work with qualified craft workers; and

WHEREAS, the Project is funded with various grant funds and, as such, is subject to and must comply with a variety of local, regional, state and federal regulations imposed as a result of such funding sources; and

WHEREAS, this Agreement will be an exhibit to the contract for construction of the Project to be awarded by WETA in accordance with applicable provisions of the California Public Contract Code, Federal, State and local regulations, ordinances and laws; and

WHEREAS, WETA has the absolute right to select as its prime contractor the entity offering the best value to WETA; and

WHEREAS, the parties to this Agreement pledge their full good faith and trust to work towards a mutually satisfactory completion of the Project;

NOW, THEREFORE, IT IS AGREED BETWEEN AND AMONG THE PARTIES HERETO, AS FOLLOWS:

### **ARTICLE I**

#### **DEFINITIONS**

1.1 "Agreement" means this Project Labor Agreement.

1.2 "Apprentice" means an individual registered and participating as an apprentice in a Joint Labor/Management Apprenticeship Program approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards.

1.3 "Construction Contract" means the public works or improvement contract(s) awarded by WETA for Downtown San Francisco Ferry Terminal Expansion Project construction after execution of this Agreement that are necessary to complete the Project, including subcontracts at any tier, with respect to the Project work.

1.4 "Contractor/Employer(s)" means any individual, firm, partnership or corporation,

## **Attachment A**

or combination thereof, including joint ventures, that is an independent business enterprise and enters into a contract with WETA or its Project Manager or any of its contractors or subcontractors at any tier, with respect to the construction of any part of the Project under contract terms and conditions approved by WETA and which incorporate this Agreement.

1.5 “Core Employee” means an employee who meets the requirements set forth in Section 8.3.

1.6 "Council" means the San Francisco Building & Construction Trades Council and its affiliated local Unions.

1.7 “Letter of Assent” means the document, as set forth in Addendum A hereto, that formally binds the Contractor/Employer(s) to comply with all the terms and conditions of this Agreement and that operates as a pre-condition to performing work on the Project.

1.8 "Master Labor Agreement" or “MLA” means the Master Collective Bargaining Agreement of each craft Union signatory hereto, as listed in Addendum B, and a copy of which shall be submitted to WETA by the Council with its executed copy of this Agreement and retained on file with WETA for the duration of the project.

1.9 "Project" means the public work or improvement for the construction of the Downtown San Francisco Ferry Terminal Expansion Project in San Francisco, California. WETA and the Council may mutually agree in writing to add additional components to the scope of work of the Project covered under this PLA.

1.10 "Project Manager" means the person(s) or business entity(ies) designated by WETA to oversee all phases of construction on the Project and to oversee the implementation of this Agreement and who works under the guidance of WETA's Authorized Representative.

1.11 “Trust Agreement” means an agreement for an established vacation, pension or other form of deferred compensation plan, apprenticeship and health benefit funds established by an applicable Master Labor Agreement as set forth in Section 9.1.

1.12 "Union" or "Unions" means the San Francisco Building & Construction Trades Council, ("the Council") and any affiliated labor organization signatory to this Agreement, acting

## **Attachment A**

in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement ("Signatory Unions").

1.13 "WETA" or "Owner" means the San Francisco Bay Area Water Emergency Transportation Authority and its public employees, including managerial personnel.

### **ARTICLE II**

#### **SCOPE OF AGREEMENT**

2.1 Parties: The Agreement shall apply to and is limited to all Contractors/ Employer(s) performing Construction Contracts (including subcontracts at any tier on the Project) who must execute a Letter of Assent, WETA, the Council and the Unions signatory to this Agreement, acting on their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement ("Signatory Unions").

2.2 Project Description: The Agreement shall govern all Construction Contracts for the Project, as defined in Article 1 above. Once a Construction Contract is completed, it is no longer covered by this Agreement. For the purposes of this Agreement, a Construction Contract shall be considered completed upon the filing of a Notice of Completion, or as otherwise provided by applicable State law.

2.3 Covered Work: This Agreement covers, without limitation, all on-site site preparation, surveying, construction, alteration, demolition, installation, painting or repair of buildings, structures and other works, and related activities for the Project, including geotechnical and exploratory drilling, and landscaping and temporary fencing that is within the craft jurisdiction of one of the Unions and which is directly or indirectly part of the Project, and including, without limitation to the following examples, pipelines (including those in linear corridors built to serve the project), pumps, pump stations, start-up, modular furniture installation, and on-site soils and material inspection and testing to be performed to complete the

## Attachment A

Project. On-site work includes work done for the Project in temporary yards or areas adjacent to the Project, and at any on-site or off-site batch plant constructed solely to supply materials to the Project. This scope of work includes all soils and materials testing and inspection where such testing and inspection is a classification in which a prevailing wage determination has been published.

2.3.1 This Agreement shall apply to any start-up, calibration, performance testing, repair, ~~—~~ maintenance, operational revisions to systems and/or subsystems performed after Completion unless it is performed by WETA employees or by a WETA contractor for service and maintenance operations.

2.3.2 This Agreement covers all on-site fabrication work over which WETA, Contractor(s) or subcontractor(s) possess the right of control (including work done for the Project in any temporary yard or area established for the Project.) Additionally, it is agreed hereby that this Agreement covers any off-site work, including fabrication work necessary for the Project defined herein that is covered by a current MLA or local addenda to a National Agreement of the applicable Union(s) that is in effect as of the execution date of this Agreement, to the fullest extent allowed by law.

2.3.3 The furnishing of supplies, equipment or materials which are stockpiled for later use shall in no case be considered subcontracting. Construction trucking work, such as the delivery of ready-mix, asphalt, aggregate, sand or other fill material which are directly incorporated into the construction process as well as the off-hauling of debris and excess fill material and/or mud, shall be covered by the terms and conditions of this Agreement, to the fullest extent allowed by law and by prevailing wage determinations of the California Department of Industrial Relations. Contractor/Employer(s), including brokers, of persons providing construction trucking work shall provide certified payroll records to WETA within ten (10) days of written request or as required by bid specifications.

2.4 Work covered by this Agreement within the following craft jurisdictions shall be performed under the terms of their National Agreements as follows: the NTL Articles of

## **Attachment A**

Agreement, the National Stack/Chimney Agreement, the National Cooling Tower Agreement, and the National Agreement of Elevator Constructors, and any instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Technicians, with the exception that Articles IV, XII and XIII of this Agreement shall apply to such work.

2.5 The on-site installation or application of all items shall be performed by the craft having jurisdiction over such work. However, it is recognized that installation of specialty items which may be furnished by the general Contractor/Employer(s) shall be performed by construction persons employed under this Agreement who may be directed by other personnel in a supervisory role. Should a vendor insist that its own personnel must perform installation in order to protect the manufacturer warranty, WETA shall advise the Council and the WETA and the Council will meet and confer to find a resolution. Should WETA and the Council be unable to find a resolution, the vendor's claim shall be subject to the grievance arbitration procedure, in which case the vendor must show; that this requirement is consistent with the original equipment manufacturer or vendor's standard warranty agreement for such equipment and is consistent with industry practice in the geographic area regarding the particular material or equipment involved, and that the construction persons available for employment under this Agreement are not capable of performing the installation with or without further training; provided, however, that any additional training shall not affect critical path items on the Project. In such instances all other provisions of this Agreement shall apply.

### 2.6 Exclusions

- (1) The Agreement shall be limited to construction work on the Project.
- (2) The Agreement is not intended to, and shall not affect or govern the award of public works contracts by WETA which are not included in the Project.
- (3) The Agreement shall not apply to a Contractor/Employer's non-construction craft employees, including but not limited to executives, managerial employees, engineering employees and supervisors above the level of General Foreman (except

## **Attachment A**

those covered by existing MLAs), staff engineers or other professional engineers, administrative and management.

(4) This Agreement shall not apply to any work performed on or near or leading to the site of work covered by this Agreement that is undertaken by state, county, city or other governmental bodies or their contractors; or by public or private utilities or their contractors.

(5) Except as otherwise permitted herein, the Agreement shall not apply to service contracts or operation, inspection, testing or maintenance contracts entered into by WETA, including any such contract relating to the Project or to other WETA owned or operated facilities or services after completion of the Project.

(6) The Agreement shall not apply to officers or employees of WETA or of State and local public agencies.

(7) The Agreement shall not apply to the work or persons or firms that perform consulting, planning, scheduling, design, environmental consulting, geological consulting, construction management, legal or similar professional consulting services related to the Project.

(8) The Agreement shall not apply to the furnishing of supplies, equipment or materials that are stockpiled for later use.

(9) The Agreement shall not apply to off-site maintenance of leased equipment and on-site supervision of such work.

2.7 Award of Contracts: It is understood and agreed that WETA shall have the absolute right to select any qualified bidder for the award of Construction Contracts under this Agreement. The bidder need only be willing, ready and able to execute and comply with this Agreement.

## **ARTICLE III**

### **EFFECT OF AGREEMENT**

3.1 Notwithstanding anything to the contrary in this Agreement, the Agreement shall

## **Attachment A**

not become effective until it is approved and signed by: WETA and the Council. By executing the Agreement, all parties agree to be bound by each and every provision of the Agreement.

3.2 By accepting the award of a Construction Contract for the Project, whether as contractor or subcontractor, the Contractor/Employer agrees to be bound by each and every provision of the Agreement and agrees that it will evidence its acceptance prior to the commencement of work by executing the **Letter of Assent** in the form attached hereto as **Addendum A**.

3.3 At the time that any Contractor/Employer enters into a subcontract with any subcontractor providing for the performance of a Construction Contract, the Contractor/Employer shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor as a pre-condition of accepting an award of a construction subcontract to agree in writing to be bound by each and every provision of this Agreement prior to the commencement of work. The obligations of a contractor may not be evaded by subcontracting.

3.4 Each Contractor/Employer(s) shall give written notice to the Union(s) of any subcontract involving the performance of work covered by this Agreement within either seven (7) days of entering such subcontract or before such Contractor/Employer(s) commences work on the Project, whichever occurs first. Such notice shall specify the name, address and the California State License Board license number of the subcontractor(s). Written notice at a preconstruction conference, as described in Section 5.1 of the Agreement, shall be deemed written notice under this provision for those subcontractor(s) listed at the preconstruction conference only.

3.5 This Agreement shall only be binding on the signatory parties hereto and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such party. Each Contractor/Employer(s) shall alone be liable and responsible for its own individual acts and conduct and for any breach or alleged breach of this Agreement. Any dispute between the Union(s) and the Contractor/Employer(s) respecting compliance with the terms of the Agreement shall not affect the rights, liabilities, obligations and duties between the signatory Union(s) and

## **Attachment A**

other Contractor(s) party to this Agreement.

3.6 It is mutually agreed by the parties that any liability by a signatory Union to this Agreement shall be several and not joint. Any alleged breach of this Agreement by a signatory Union shall not affect the rights, liabilities, obligations and duties between the signatory Contractor(s) and the other Union(s) party to this Agreement.

3.7 The provisions of this Agreement, including MLAs, which are the local Master Labor Agreements of the signatory Unions having jurisdiction over the work on the Project, shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or national agreements which may conflict with or differ from the terms of this Agreement. Where a subject covered by the provisions of this Agreement is also covered by a MLA, the provisions of this Agreement shall prevail. Where a subject is covered by the provisions of a MLA and is not covered by this Agreement, the provisions of the applicable MLA shall prevail.

3.8 It is understood that this Agreement constitutes a self-contained, stand-alone agreement and that, by virtue of having become bound to this Agreement, a Contractor/Employer will not be obligated to sign any local, area, or national collective bargaining agreement as a condition of performing work within the scope of this Agreement.

## **ARTICLE IV**

### **WORK STOPPAGES, STRIKES, SYMPATHY STRIKES AND LOCKOUTS**

4.1 The Unions, WETA and Contractor/Employers agree that for the duration of the Project:

(1) There shall be no strikes, sympathy strikes, work stoppages, picketing, handbilling or otherwise advising the public that a labor dispute exists, or slowdowns of any kind, for any reason, by the Unions or employees employed on the Project, at the Project site or any off-site facility of the Project covered by this agreement, or at any other facility of WETA because of a dispute on the Project. The Unions shall not sanction, aid or abet, encourage or



## **Attachment A**

continue any such prohibited activity at the job site of the Project, at any off-site facility covered by the Project under Article 2, or at any other facility of WETA because of a dispute on the Project, and shall take all reasonable means to prevent or terminate any such activity should it occur in violation of this prohibition. Nor shall the Unions or any employees employed on the Project participate in any strikes, sympathy strikes, work stoppages, picketing, handbilling, slowdowns, or otherwise advising the public that a labor dispute exists at the jobsite of the Project because of a dispute between Unions and Contractor/Employer on any other project. Nothing stated in this Agreement shall prevent Unions from participating in the actions mentioned in this section on jobsites other than the Project jobsite because of disputes between the Unions and Contractor/Employers on projects other than the Project.

(2) Any employee who participates in or encourages any activity prohibited by paragraph (1) shall be subject to disciplinary action, up to and including discharge, in accordance with the applicable MLAs.

(3) As to employees employed on the Project, there shall be no lockout of any kind by a Contractor/Employer covered by the Agreement.

(4) If a MLA between a Contractor/Employer and the Union expires before the Contractor/Employer completes the performance of a Construction Contract for work covered under this Agreement and the Union or Contractor/Employer gives notice of demands for a new or modified MLA, the Union agrees that it will not strike the Contractor/Employer on said contract for work covered under this Agreement and the Union and the Contractor/Employer agree that the expired MLA shall continue in full force and effect for work covered under this Agreement until a new or modified MLA is reached between the Union and Contractor/Employer. If the new or modified MLA reached between the Union and Contractor/Employer provides that any terms of the MLA shall be retroactive, the Contractor/Employer agrees to comply with any retroactive terms of the new or modified MLA which is applicable to employees who perform work on the project during the hiatus period, within seven (7) days after the effective date of the new or modified MLA.

## **Attachment A**

(5) The withholding of employees, but not picketing, for failure of a Contractor/Employer(s) to tender trust fund contributions as required in accordance with Article 9 and/or for failure to meet its weekly payroll is not a violation of this Article; provided, however, that in each instance said impacted Union(s) shall give the affected Contractor/Employer(s) and WETA written notice seventy-two (72) business hours prior to the withholding of employees when failure to tender trust fund contributions has occurred. There shall be one (1) business days' notice when failure to meet weekly payroll has occurred or when paychecks are determined to be nonnegotiable by a financial institution normally recognized to honor such paychecks.

4.2 **Expedited Arbitration:** Any party to this Agreement shall institute the following procedure, prior to initiating any other action at law or equity, when a breach of this Article is alleged to have occurred:

(1) A party invoking this procedure shall notify Thomas Angelo, as the permanent arbitrator, or, Robert Hirsch, as the alternate arbitrator under this procedure. In the event that the permanent arbitrator is unavailable at any time, the alternate will be contacted. If neither is available, then a selection shall be made from the list of arbitrators in Section 12.2. Notice to the arbitrator shall be by the most expeditious means available, with notices by facsimile, telephone or email (with same day confirmation received by sender) to WETA and the party alleged to be in violation and to the Council and involved local Union if a Union is alleged to be in violation.

(2) Upon receipt of said notice, WETA will contact the designated arbitrator named above, or his alternate, who will attempt to convene a hearing within twenty-four (24) hours if it is contended that the violation still exists.

(3) The arbitrator shall notify the parties by facsimile, telephone, or email, with same day confirmation received by sender, of the place and time for the hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all parties. A

## **Attachment A**

failure of any party to attend said hearings shall not delay the hearing of evidence or the issuance of an award by the arbitrator.

(4) The sole issue at the hearing shall be whether or not a violation of Article IV, Section 4.1 of the Agreement has occurred. The arbitrator shall have no authority to consider any matter of justification, explanation or mitigation of such violation, which issue is reserved for court proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without a written opinion. If any party desires a written opinion, one shall be issued within fifteen (15) calendar days, but its issuance shall not delay compliance with or enforcement of the award.

(5) The arbitrator may order cessation of the violation of this Article and other appropriate relief and such award shall be served on all parties by hand or certified or registered mail upon issuance. A party found to have violated the provisions of the No Strike-No Lockout section in this Article 11 shall cease such violation within eight (8) hours of the award of the Arbitrator. Should the violation continue past eight (8) hours, the party in violation shall pay to the affected party as liquidated damages the sum of ten thousand dollars (\$10,000.00) per shift, or portion thereof, until such violation is ceased. The Arbitrator shall retain jurisdiction to resolve any disputes regarding the liquidated damages claimed under this section.

(6) Such award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the arbitrator's award as issued under Section 4.2(4) of this Article, all parties waive the right to a hearing and agree that such proceedings may be *ex parte*. Such agreement does not waive any party's right to participate in a hearing for a final order or enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all parties by hand or delivered by certified mail.

(7) Any rights created by statute or law governing arbitration proceedings that are inconsistent with the above procedure, or which interfere with compliance with such

## **Attachment A**

procedures are waived by the parties to whom they accrue to the extent such rights are waivable under applicable law.

(8) The fees and expenses of the arbitrator shall be divided equally between the party instituting the arbitration proceedings provided in this Article and the party alleged to be in breach of its obligation under this Article.

### **ARTICLE V**

#### **PRE-JOB CONFERENCE**

5.1 A mandatory pre-job conference, to include a representative from each of the participating Contractor/Employer(s), applicable Unions and the Project Manager, will be held prior to the commencement of work to review the scope of work in each Contractor/Employer(s)' contract and assignment of such work. The pre-job conference shall be held at the offices of the Council unless otherwise agreed to by WETA and the Council. WETA and the Council may mutually agree to waive the requirement to hold a pre-job conference for any particular contract.

5.2 The Contractor(s) performing the work shall have the responsibility for making work assignments in accordance with Section 13.1 of this Agreement.

### **ARTICLE VI**

#### **NO DISCRIMINATION**

6.1 The Contractor/Employers and Unions agree to comply with all anti-discrimination provisions of federal, state and local law, to protect employees and applicants for employment, on the Project.

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**ARTICLE VII**

**UNION SECURITY**

7.1 The Contractor/Employers recognize the Union(s) as the sole bargaining representative of all craft employees working within the scope of this Agreement.

7.2 No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for work on a Construction Contract or the Project. However, any employee who is a member of a Union, at the time he or she is referred by the Union for work on a Construction Contract pursuant to Article 8 hereof, shall maintain that membership in good standing while employed on such Construction Contract.

7.3 The Contractor/Employers shall require all employees who work on a Construction Contract on or before eight days of consecutive or cumulative employment on the Project to comply with the applicable Union's security provisions, and to maintain compliance for the period of time they are performing work on the Project, which requirement shall be satisfied by the tendering of periodic dues and fees uniformly required to the extent allowed by law.

7.4 Authorized representatives of the Unions shall have access to the Projects whenever work covered by this Agreement is being, has been, or will be performed on the Project, to the extent permitted by applicable law.

**ARTICLE VIII**

**REFERRAL**

8.1 The Contractor/Employers performing construction work on the Project described in the Agreement shall, in filling craft job requirements, utilize and be bound by the registration facilities and referral systems established or authorized by the Unions signatory hereto when such procedures are not in violation of applicable law. The Contractor/Employer(s) shall have the right to reject any applicant referred by the Union(s), in accordance with the applicable MLA.

8.2 The Contractor/Employer(s) shall have the unqualified right to select and hire

## **Attachment A**

directly all supervisors above the level of general foreman it considers necessary and desirable, without such persons being referred by the Union(s).

8.3 The Union(s) shall be the sole source of all craft labor employed on the Project. However, in the event that a Contractor/Employer(s) has its own core workforce, the Contractor/Employer may request by name, and the Union shall honor, referral of persons who have applied to the local Union for Project work and who demonstrate the following qualifications (“Core Employees”):

- a) Possess any license and/or certifications required by state or federal law for the Project work to be performed;
- b) Have worked a total of at least two thousand (2,000) hours in the construction craft during the prior two (2) years;
- c) Were on the Contractor/Employer's active payroll for at least the sixty (60) consecutive calendar business days prior to the contract award;
- d) Have the ability to perform safely the basic functions of the applicable trade; and
- e) Must have been a resident of the County of San Francisco for a period of six months prior to the bid date of the Project.

8.3.1 The Union will refer to such Contractor/Employer two journeyman employees from the hiring hall out-of-work list for the affected trade or craft, and will then refer one of such Contractor/Employer's Core Employees as a journeyman and shall repeat the process, one and one, until such Contractor/Employer's crew requirements are met or until Contractor/Employer has hired five (5) Core Employees, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the hiring hall out-of-work list(s).

8.3.2 For the duration of the Contractor/Employer's work the ratio shall be maintained and when the Contractor/Employer's workforce is reduced, employees shall be reduced in reverse order and in the same ratio of core employees to hiring hall referrals as was applied in the initial hiring.

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8.3.3 Contractor/Employer's signatory to a Local, Regional, and/or National collective bargaining agreements with Union(s) signatory hereto shall be bound to use the hiring hall provisions contained in the MLA of the affected Union(s), and nothing in the referral provisions of this Agreement shall be construed to supersede the local hiring hall provisions of the Master Agreement(s) as they relate to such contractors.

8.4 In the event that referral facilities maintained by the Union(s) are unable to fill the requisition of a Contractor/Employer for employees within a forty-eight (48) hour period (Saturdays, Sundays and Holidays excluded) after such requisition is made by the Contractor/Employer(s), the Contractor/Employer(s) shall be free to obtain workers from any source. A Contractor who hires any personnel to perform covered work on the Project pursuant to this Section shall immediately provide the appropriate Union with the name and address of such employee(s) and shall immediately refer such employee(s) to the appropriate Union to satisfy the requirements of Article VII of this Agreement.

8.5 Unions will exert their utmost efforts to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Contractor/Employer(s).

## **ARTICLE IX**

### **BENEFITS**

9.1 All Contractor/Employers agree to pay contributions to the established vacation, pension and other form of deferred compensation plan, apprenticeship, and health benefit funds established by the applicable MLA for each hour worked on the Project in the amounts designated in the MLA of the appropriate local Unions. The Contractor/Employers shall not be required to pay contributions to any other trust funds that are not contained in the published prevailing wage determination to satisfy their obligation under this Article, except that those Contractor/Employers who are signatory to the MLA with the respective trades shall continue to pay all trust fund contributions as outlined in such MLA.

9.2 By signing this Agreement, the Contractor/Employers adopt and agree to be

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bound by the written terms of the legally established Trust Agreements, as described in Section 9.1, specifying the detailed basis on which payments are to be made into, and benefits paid out of, such Trust Funds. WETA shall not be liable for or required to make any contributions, deductions or payments to any such Trust Fund, nor shall WETA otherwise have any contractual, financial or other obligation in connection with any such Trust Agreement or Trust Fund.

9.3 Wages, Hours, Terms and Conditions of Employment: The wages, hours and other terms and conditions of employment on the Project shall be governed by the MLA of the respective crafts, copies of which shall be on file with WETA, to the extent such MLA is not inconsistent with this Agreement.

9.4 Holidays: Holidays shall be established as set forth in the applicable MLA.

## **ARTICLE X**

### **JOINT ADMINISTRATIVE COMMITTEE**

10.1 The parties to this Agreement shall establish a six (6) person Joint Administrative Committee. This Committee shall be comprised of two (2) representatives selected by the WETA, two (2) representatives selected by the Union(s) and two (2) representatives selected by the general Contractor/Employer. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement. The Joint Administrative Committee shall meet as required to review the implementation of the Agreement and the progress of the Projects.

10.2 There shall also be established a Joint Administrative Subcommittee consisting of one WETA representative, to be selected by WETA, and one Union(s) representative, to be selected by the Unions, for the purpose of convening to confer in an attempt to resolve a grievance that has been filed consistent with Article 12. Any question regarding the meaning, interpretation, or application of the provisions of this Agreement shall be referred directly to the Joint Administrative Subcommittee for resolution. The Joint Administrative Subcommittee shall



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meet as required to resolve grievances by majority (unanimous) vote with such resolutions to be final and binding on all signatories of the Agreement. A failure of any party or parties to attend said hearing shall not delay the hearing of evidence or issuance of an award by the Joint Administrative Subcommittee, if such award is made by a majority (unanimous) vote, and the hearing shall proceed *ex parte*.

### **ARTICLE XI**

#### **COMPLIANCE**

11.1 It shall be the responsibility of the Contractor/Employers and Unions to investigate and monitor compliance with the provisions of the Agreement contained in Article IX. Nothing in this agreement shall be construed to interfere with or supersede the usual and customary legal remedies available to the Unions and/or employee benefit Trust Funds to collect delinquent Trust Fund contributions from Contractor/Employers on the Project. WETA shall monitor Contractor/Employer(s)' compliance with the prevailing wage requirements of the state.

### **ARTICLE XII**

#### **GRIEVANCE ARBITRATION PROCEDURE**

12.1 Employee Grievances: All disputes involving discipline and/or discharge of employees working on the Project shall be resolved through the grievance and arbitration provision contained in the MLA for the craft of the affected employee. No employee working on the Project shall be disciplined or dismissed without just cause.

12.2 Project Labor Disputes: All Project labor disputes involving the application or interpretation of the MLA to which a signatory Contractor/Employer and a signatory Union are parties shall be resolved pursuant to the resolution procedures of the MLA. All disputes relating to the interpretation or application of this Agreement (with the exception of disputes subject to Articles IV and XIII) shall be subject to resolution by the Grievance arbitration procedures set

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forth in this Article.

No grievance shall be recognized unless the grieving party (Local Union or District Council, on its own behalf, or on behalf of an employee whom it represents, or a Contractor/Employer on its own behalf) provides notice in writing to the signatory party with whom it has a dispute within five (5) days after becoming aware of the dispute but in no event more than thirty (30) days after it reasonably should have become aware of the event giving rise to the dispute. The time limits in this Article may be extended by mutual written agreement of the parties.

Step 1 :       A representative of the grievant and the party against whom the grievance is filed shall meet and attempt to resolve the grievance.

Step 2:        In the event the matter remains unresolved in Step 1 above, within five (5) working days, the grievance shall be reduced to writing and may then be referred to the other party for discussion and resolution.

Step 3:        In the event that the representatives are unable to resolve the dispute within the five (5) working days after its referral to Step 2, either involved party may submit the dispute within five (5) working days to the Joint Administrative Subcommittee established in Section 10.2. The Joint Administrative Subcommittee shall meet within five (5) working days after such referral (or such longer time as is mutually agreed upon by the representatives on the Joint Administrative Subcommittee) to confer in an attempt to resolve the grievance. Regardless of which party has initiated the grievance proceeding, prior to the meeting of the Joint Administrative Subcommittee, the Union shall notify its International Union Representative(s), which shall advise both parties if it intends on participating in the meeting. The participation by the International Union Representative in this Step 3 meeting shall not delay the time set herein for the meeting, unless otherwise mutually agreed by the parties. A majority/unanimous decision by the Joint Administrative Subcommittee shall be final and binding. If the dispute is not resolved by the Joint Administrative Subcommittee, it may be referred within five (5) working days by either party to Step 4.

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Step 4: In the event the matter remains unresolved in Step 3, either party may request, within five (5) working days, that the dispute be submitted to arbitration. The parties agree that the Arbitrator who will hear the grievance shall be selected from the following: Thomas Angelo, William Riker, Jeri-Lou Cossack, Barry Winograd and Robert Hirsch. The parties shall flip a coin to determine who shall strike the first name and shall then alternately strike names from the list and the last remaining name shall be the neutral third party Arbitrator who shall have the power to resolve the dispute in a final and binding manner. Should a party to the procedure fail or refuse to participate in the hearing, if the Arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The Arbitrator's award shall be final and binding on all parties to the arbitration. The costs of the arbitration, including the Arbitrator's fee and expenses, shall be borne equally by the parties. The Arbitrator's decision shall be confined to the question(s) posed by the grievance and the Arbitrator shall not have authority to modify amend, alter, add to, or subtract from, any provisions of this Agreement.

Time Limits: The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing. However, failure to process a grievance, or failure to respond in writing within the time limits provided above, without an agreed upon extension of time, shall be deemed a waiver of such grievance without prejudice, or without precedent to the processing of and/or resolution of like or similar grievances or disputes.

Retention: At the time a grievance is submitted under this Agreement or any MLA, the Union(s) may request that WETA withhold and retain an amount from what is due and owing to the Contractor(s) against whom the grievance is filed, sufficient to cover the damages alleged in the grievance, should the Union(s) prevail.

The amount shall be retained by WETA until such time as the underlying grievance giving rise to the retention is withdrawn, settled, or otherwise resolved, and the retained amount shall be paid to whomever the parties to the grievance shall decide, or to whomever an Arbitrator

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shall so order.

In order to encourage the resolution of disputes and grievances at Steps 1 and 2 of this Grievance Procedure, the parties agree that such settlements shall not be precedent setting.

### **ARTICLE XIII**

#### **WORK ASSIGNMENTS AND NORTHERN CALIFORNIA PLAN FOR THE SETTLEMENT OF JURISDICTIONAL DISPUTES:**

13.1 The assignment of covered work will be solely the responsibility of the Contractor/Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of the Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

13.2 All jurisdictional disputes on this Project between or among the building and construction trades Unions and the Contractor/Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractor/Employers and Unions parties to this Agreement.

13.2.1 If a dispute arising under this Article involves the Northern California Carpenters Regional Council or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch and Thomas Pagan and the Arbitrator's hearing on the dispute shall be held at the offices of the California State Building and Construction Trades Council in Sacramento, California, within fourteen (14) calendar days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

13.3 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor/Employer's assignment shall be

## **Attachment A**

adhered to until the dispute is resolved. Individual employees violating this section shall be subject to immediate discharge.

13.4 Each Contractor/Employer will conduct a pre-job conference with the Council prior to commencing work, as described in Section 5.1. The Project Manager and WETA will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Contractor/Employers may be held together.

### **ARTICLE XIV**

#### **APPRENTICES**

14.1 Recognizing the need to develop adequate numbers of competent workers in the construction industry, the Contractor/Employer(s) shall employ Apprentices from California State-approved Joint Apprenticeship Programs in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured.

14.2 The Apprentice ratios will be in compliance with the applicable provisions of the California Labor Code and Prevailing Wage Rate Determination.

14.3 There shall be no restrictions on the utilization of Apprentices in performing the work of their craft provided they are properly supervised.

### **ARTICLE XV**

#### **MANAGEMENT RIGHTS**

15.1 The Contractor/Employer(s) shall retain full and, exclusive authority for the management of their operations, including the right to direct their work force in their sole discretion and to establish coordinated working hours and starting times, in accordance with the applicable MLAs. No rules, customs or practices shall be permitted or observed which limit or restrict production, or limit or restrict the working efforts of employees except that the lawful manning provisions in the applicable MLAs shall be recognized.

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15.2 The Contractor/Employer(s) may use the most efficient methods or techniques of construction, tools, or other labor saving devices to accomplish Project work, in accordance with the applicable MLAs. There shall be no limit on production by workers or restrictions on the full use of tools or equipment, nor any restriction on efficient use of manpower other than as may be required by applicable safety regulations.

15.3 The Contractor/Employer(s) shall be the sole judge of the number of employees required to perform the work covered by this Agreement, and shall have the sole right to hire, promote, suspend, discharge, or layoff employees at their discretion and to reject any applicant for employment, in accordance with the applicable MLAs.

15.4 The Contractor/Employer(s) shall have the right to award subcontracts to the lowest responsive and responsible bidder or the most qualified/highest ranked firm, in accordance with the applicable MLA for the craft involved.

### **ARTICLE XVI**

#### **HELMETS TO HARDHATS**

16.1 The Contractor/Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractor/Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center) and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

16.2 The Unions and Contractor/Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for *bona fide*, provable past experience.

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### **ARTICLE XVII**

#### **SAFTETY PROTECTION OF PERSON AND PROPERTY**

17.1 Employees shall be bound by the reasonable safety, security and visitor rules established by the Contractor/Employer(s) and WETA. These rules will be published and posted in visible places throughout the work site. An employee's failure to satisfy his/her obligations under this Section will subject him/her to discipline, including discharge consistent with the applicable MLA.

17.2 The use, sale, transfer, purchase and/or possession of a controlled substance, alcohol and/or firearms at any time during the work day is prohibited.

17.3 The Contractor/Employer(s) and Unions agree that the work site shall be a drug free workplace. Parties agree to recognize and use the Substance Abuse Program contained in each applicable Union's MLA.

### **ARTICLE XVIII**

#### **SAVINGS CLAUSE**

18.1 The parties agree that in the event any article, provision, clause, sentence or word of the Agreement is determined to be illegal or void as being in contravention of any applicable law, including Presidential Executive Order, federal or state law, by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect. The parties further agree that if any article, provision, clause, sentence or word of the Agreement is determined to be illegal or void, by a court of competent jurisdiction, the parties shall substitute, by mutual agreement, in its place and stead, an article, provision, clause, sentence or word which will meet the objections to its validity and which will be in accordance with the intent and purpose of the article, provision, clause, sentence or work in question.

18.2 The parties also agree that in the event that a decision of a court of competent jurisdiction materially alters the terms of the Agreement such that the intent of the parties is

## **Attachment A**

defeated, then the entire Agreement shall be null and void.

18.3 If a court of competent jurisdiction determines that all or part of the Agreement is invalid and/or enjoins WETA from complying with all or part of its provisions and WETA accordingly determines that the Agreement will not be required as part of an award to a Contractor/Employer, the unions will no longer be bound by the provisions of Article IV.

18.4 In the event that WETA is made aware that this Agreement or portions thereof are inconsistent with the terms and conditions of any grant, loan, or contract with any Federal or State agency or with the instructions or directions of an authorized representative of a Federal or State agency regarding the requirements of any such grant, loan, or contract, WETA shall notify the Council. Within seven (7) days of notification, the parties shall meet and confer to attempt to modify the Agreement to avoid forfeiture of any funding or otherwise resolve the issue. Should the parties be unable to come to agreement, the Agreement or any inconsistent provision shall be subject to resolution by the grievance arbitration procedures set forth in Article XII. The foregoing notwithstanding, if the granting agency determines that the resolution of such grievance procedure will result in the forfeiture of material grant funds (meaning an amount that would threaten viability of the project) , then the Agreement may be modified or terminated in order to avoid the forfeiture.



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**ARTICLE XIX**

**TERM**

19.1 The Agreement shall be included in the Bid Documents as a condition of the award of construction contracts for the Project.

19.2 The Agreement shall continue in full force and effect until the completion of the Project.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION  
AUTHORITY

By \_\_\_\_\_ Date \_\_\_\_\_

SAN FRANCISCO BUILDING & CONSTRUCTION TRADES COUNCIL

By \_\_\_\_\_ Date \_\_\_\_\_

(signatures continued on next page)



**Attachment A**

**ADDENDUM A  
LETTER OF ASSENT**

[Date]

[Addressee]

[Address]

[City and State]

Re: WETA Downtown San Francisco Ferry Terminal Expansion Project -- Letter of Assent

Dear Mr./Ms. \_\_\_\_\_:

The undersigned party confirms that it agrees and assents to comply with and to be bound by the WETA Downtown San Francisco Ferry Terminal Expansion Project, Project Labor Agreement as such Agreement may, from time to time, be amended by the parties or interpreted pursuant to its terms.

By executing this Letter of Assent, the undersigned party subscribes to, adopts and agrees to be bound by the written terms of the legally established trust agreements specifying the detailed basis upon which contributions are to be made into, and benefits made out of, such trust funds and ratifies and accepts the trustees appointed by the parties to such trust funds.

Such assent and obligation to comply with and to be bound by this Agreement shall extend to all work covered by said Agreement undertaken by the undersigned party on the WETA Downtown San Francisco Ferry Terminal Expansion Project. The undersigned party shall require all of its subcontractors, of whatever tier, to become similarly bound for all their work within the scope of this Agreement by signing an identical Letter of Assent.

This letter shall constitute a subscription agreement, to the extent of the terms of the letter.

CONTRACTOR/SUBCONTRACTOR: \_\_\_\_\_

California State License Number: \_\_\_\_\_

Name and Signature of  
Authorized Person:

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Telephone Number)

**Attachment A**

**ADDENDUM B  
LIST OF MASTER COLLECTIVE BARGAINING AGREEMENTS**

All Master Labor Agreements of the following signatory Local Unions and District or Regional Councils and their affiliated Local Unions:

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

**RESOLUTION NO. 2016-28**

**APPROVE A PROJECT LABOR AGREEMENT FOR THE  
DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION**

**WHEREAS**, WETA is developing a Downtown San Francisco Ferry Terminal Expansion Project in San Francisco, CA (the "Project"); and

**WHEREAS**, the timely and successful completion of the Project is of the utmost importance to WETA and the general public; and

**WHEREAS**, large numbers of workers of various skills will be required in the performance of the construction work, including those to be represented by the Unions signatory to this Agreement employed by contractors and subcontractors who are also signatories to this Agreement; and

**WHEREAS**, it is recognized that on a project of this magnitude with multiple contractors and bargaining units on the job site at the same time over an extended period of time, there is the potential for work disruption that could negatively impact the continuity of work and the Project schedule; and

**WHEREAS**, the interests of WETA, the general public and the Unions would be best served if the construction work proceeded in an orderly manner without disruption because of strikes, sympathy strikes, work stoppages, picketing, lockouts, slowdowns or other interferences with work; and

**WHEREAS**, WETA and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on the Project by the Contractor/Employer(s), and further, to encourage close cooperation among the Contractor/Employer(s) and the Union(s) so that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

**WHEREAS**, the parties hereto are committed to constructing the Project safely and efficiently and the Unions are committed to staffing Project work with qualified craft workers; and

**WHEREAS**, the Project is funded with various grant funds and, as such, is subject to and must comply with a variety of local, regional, state and federal regulations imposed as a result of such funding sources; and

**WHEREAS**, WETA has the absolute right to select as its prime contractor the entity offering the best value to WETA; and

**WHEREAS**, the parties to this Agreement pledge their full good faith and trust to work towards a mutually satisfactory completion of the Project; now, therefore be it

**RESOLVED**, that the Board of Directors hereby approves the Project Labor Agreement for the Construction of the Downtown San Francisco Ferry Terminal Expansion Project; and be it further

**RESOLVED**, that the Board of Directors authorizes the Executive Director to execute this agreement and take any other 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 October 6, 2016.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary

2016-28

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

MEMORANDUM

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**TO: Board Members**

**FROM: Nina Rannells, Executive Director  
Mike Gougherty, Senior Planner**

**SUBJECT: Authorize Release of a Request for Proposals for Construction Manager at Risk Services for the Downtown San Francisco Ferry Terminal Expansion**

**Recommendation**

Authorize release of a Request for Proposals (RFP) for Construction Manager at Risk (CMAR) services for the Downtown San Francisco Ferry Terminal Expansion.

**Background/Discussion**

The Downtown San Francisco Ferry Terminal Expansion project is being developed by WETA to expand and improve facilities at the existing ferry terminal in downtown San Francisco. The project will include construction of 2 new ferry gates (Gate F and G), landside pedestrian circulation improvements, installation of amenities such as weather-protected areas for queuing, and covering of the current "lagoon" area south of the Ferry Building to enhance WETA's emergency response capabilities.

This item seeks Board authorization to release a RFP for CMAR services for the Downtown San Francisco Ferry Terminal Expansion. The selection of a CMAR will be based on qualification and pricing information submitted for both Phase One and Phase Two work associated with the project. Phase One will include Early Construction Work (demolition, dredging, and pile driving) to be completed by November 30, 2017, as well as Pre-construction Services in support of WETA's efforts to finalize construction documents for the project. Phase Two will include the remaining work required to fully construct the project following completion of Phase One.

The initial contract award for this RFP would be limited to the scope and compensation required to complete the Phase One work and would be subject to approval by the WETA Board. The anticipated value of the Phase One work is approximately \$13 million. If WETA and the CMAR awarded the contract for the Phase One work can negotiate and agree to a Guaranteed Maximum Price (GMP) for Phase Two, then the Board would be requested to approve an amendment to the CMAR agreement allowing the contractor to proceed with full construction of the project. The anticipated value of the Phase Two work is \$48-53 million. If WETA and the CMAR are unable to agree to a GMP to provide the Phase Two work, then WETA would have the option to procure that work separately.

**Fiscal Impact**

There is no fiscal impact associated with the release of the RFP. This project is included in the FY 2016/17 Capital Budget with a total project budget of \$79,580,000 funded with a combination of Federal Transit Administration, State Proposition 1B, Regional Measure 2, and San Francisco County transportation sales tax funds.

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

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MEMORANDUM

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**TO: Board Members**

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

**SUBJECT: Approve Contract Award to Marine Group Boat Works for MV *Pisces*  
Quarter-Life Refurbishment Project**

**Recommendation**

Approve contract award to Marine Group Boat Works for the MV *Pisces* Quarter-Life Refurbishment and Capacity Increase project in the amount of \$3,675,000 and authorize the Executive Director to negotiate and execute an agreement and take other related actions as may be necessary to support this work.

**Background**

Aluminum catamaran ferry vessels have a lifecycle of approximately 25 years. Refurbishment projects during the lifecycle of a vessel generally include a minor refit when the vessel has reached its quarter life (at approximately 6 and 18 years), a major refit at the vessel's midlife (at approximately 12 years), and replacement when the vessel is approximately 25 years old. The MV *Pisces* was built for WTA, WETA's predecessor agency, by Nichols Brothers Boat Builders in 2008. It currently has over 10,000 operating hours and is ready for a minor refit project to improve vessel reliability and passenger amenities. This refit project is required to ensure the vessel operates reliably and safely and is necessary to support operation of this vessel in revenue service for its full 25 year life expectancy.

The general quarter life refurbishment of MV *Pisces* includes the following components:

- Refurbish shafts, propellers, and rudders and replace bearings;
- Selective Catalyst Reduction System Overhaul;
- Passenger cabin: replace and re-upholster seating, replace carpets, renew deck coatings, touch up interior finishes; and
- Vessel systems: overhaul main engines, HVAC, electrical, plumbing, emission, and fire and lifesaving safety systems.

In addition to the standard quarter life work described above, this project includes work to increase the passenger capacity of MV *Pisces* by 76 persons, from 149 to 225. This work will increase the vessel's utility to the overall fleet. A similar project was recently completed on the sister vessel MV *Gemini* in August of this year.

To comply with the U.S. Coast Guard (USCG) Sub-Chapter K requirements, work items to be completed that will expand the passenger capacity of MV *Pisces* include:

- New cabin passenger seating;
- Replacement and upgrading structural fire protection insulation;
- Structural, electrical, plumbing modifications.

Other work to be completed while the vessel is out of service includes removal of both main engines for major overhauls. This project will be coordinated with the vessel's required periodic USCG dry-docking and inspection.

### **Discussion**

The Request for Proposals (RFP) was released on August 5, 2016. Notice of this RFP was sent to WETA's mailing list, posted on the Agency's website, and advertised with the San Francisco Chronicle, Passenger Vessel Association and in the Regional DBE Business Outreach Committee quarterly newsletter.

On August 22, 2015, WETA hosted a mandatory Proposers' conference at Pier 9 which was attended by two individuals representing two shipyards. WETA staff issued two addenda to the original RFP clarifying the specifications set forth in the RFP, and responding to pre-bid questions. Proposals were due to WETA on or before September 15, 2016.

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, ability to meet the project schedule, understanding of the project, management plan, and experience in similar projects, references, qualifications of its proposed team, and its facilities and equipment.

A total of one proposal was received. The submitting shipyard was Marine Group Boat Works. 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 is fair and reasonable. Marine Group Boat Works is well qualified to complete this work as they recently successfully completed the same work on the sister vessel MV *Gemini*.

Accordingly, staff recommends awarding a contract to Marine Group Boat Works and proposes that this award include an 8% owner's contingency to allow for additive changes for work not yet identified but that may be necessary to satisfactorily complete the project. The recommended award including contingency is \$3,675,000. If approved, staff will issue the Notice To Proceed for design and engineering activities as soon as possible with shipyard work to begin in November 2016. Work for the project is expected to be completed by May 2017.

### **DBE/SBE Participation**

For Federal FY 2016/17, the Authority'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 Marine Group Boat Works and has determined that they have complied with the DBE requirements for this contract. Marine Group Boat Works has committed 5.81 percent SBE participation on this contract.

### **Fiscal Impact**

The MV *Pisces* Quarter-Life Refurbishment & Capacity Increase project is included in the FY 2016/17 Capital Budget at a cost of \$4,100,000 funded with FTA grant funds and Regional Measure 1 – 2% capital funds. Sufficient funds are in the project budget to support the award of this contract.

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

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

**RESOLUTION NO. 2016-29**

**APPROVE THE AWARD OF A CONTRACT WITH MARINE GROUP BOAT WORKS FOR SHIPYARD SERVICES FOR THE MV *PISCES* QUARTER-LIFE REFURBISHMENT PROJECT**

**WHEREAS**, San Francisco Bay Area Water Emergency Transportation Authority (WETA) has established the MV *Pisces* Quarter Life Refurbishment Project as a part of its FY 2016/17 Capital Budget and program of projects; and

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

**WHEREAS**, WETA has Federal Transit Administration (FTA) and local match funds to support the Project; and

**WHEREAS**, on August 5, 2016, WETA issued an Request for Proposals (RFP) for MV *Pisces* Quarter-Life Refurbishment shipyard work for the 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 proposal 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 Marine Group Boat Works, LLC, to complete this project in the amount of \$3,675,000 which includes an eight (8) percent owner's contingency; now, therefore, be it

**RESOLVED**, that the Board of Directors hereby approves an agreement with Marine Group Boat Works to provide shipyard services for the MV *Pisces* for an amount not to exceed \$3,675,000; and be it further

**RESOLVED**, that the Board of Directors authorizes the Executive Director to negotiate and execute an agreement and take any other related actions as may be necessary 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 October 6, 2016.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary

2016-29

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

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MEMORANDUM

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**TO:** Board Members

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

**SUBJECT:** Adopt the Final 2016 WETA Strategic Plan

**Recommendation**

Adopt the 2016 WETA Strategic Plan.

**Background**

The 2016 WETA Strategic Plan presents a vision for the next 20 years of ferry service in the San Francisco Bay Area. The plan comes at a pivotal period in WETA's history. Rising ridership driven by a strong regional economy with focused job growth in San Francisco has made the ferry more popular than ever. Services consolidated under the Water Transit Authority (later WETA) have transitioned smoothly from city-run services to WETA operations. The first new terminal built in the Bay Area in decades – in South San Francisco – is thriving after an initial ramp up period. Funded projects such as the North Bay and Central Bay maintenance facilities as well as expansion of the downtown San Francisco terminal and a new terminal in Richmond are all in the final design or construction phase. And finally, expansion candidate terminals throughout San Francisco Bay are seeking funding to enter project implementation.

Adoption of the 2016 WETA Strategic Plan is the final step in a planning process that began in March 2015 with an introductory Board workshop that provided background and identified strategic areas for discussion. A second workshop in May 2015 provided an opportunity to consider new WETA policies related to service performance and expansion. Taking input from the Board, WETA staff spent the summer of 2015 reaching out to stakeholders, sharing draft strategic plan policies and gaining valuable input for the eventual draft plan. Working with a consultant – Transportation Analytics – staff developed a draft Strategic Plan that was released to the public for comment in January 2016.

In March 2016, Chair Breckenridge created a Working Group made up of Vice Chair Wunderman and Director Donovan to explore the “art of the possible” and revisit the Mission and Vision statements contained in the plan to ensure that the sentiments of the Board and a wide cross section of stakeholders were reflected in the plan. The input and direction of the Working Group led to revisions in both the Mission and Vision statements that were then adopted by the Board at its June 2016 meeting. With revised Mission and Vision, the Plan went through another round of revisions, summarized in **Attachment A**, to become the final document presented as a part of this report.

**Discussion**

The WETA Strategic Plan is a summary document, structured and formatted to be read in one sitting but supported by resource documents and plans that serve as a foundation for the Plan. Following an introductory letter from the Executive Director and an introduction to the Plan, there are seven focus areas:

- Expanded Service
- Funding
- Quality
- Partnerships
- Environmental Stewardship
- Emergency Response
- Organizational Capacity and Leadership

Each Focus Area has, in turn, policy statements that define a 20-year vision for ferry service in the San Francisco Bay. The Plan also includes a brief evolutionary view of WETA's past and present activities, paired with a look forward to the next 20 years. Two important additions to the final plan are appendices that provide detail on WETA's expansion and enhancement program together with an overview of funding programs. The appendices will be updated on a regular basis as projects move forward, and new initiatives and funding programs emerge.

Staff envisions that the WETA Strategic Plan will exist online on the WETA website as a resource for WETA staff, Board members, community stakeholders and the general public. Hyperlinks to supporting documents and identification of upcoming activities and initiatives can be updated over time to ensure the document remains fresh and relevant. In addition, the Strategic Plan is a companion document to the Short Range Transit Plan, which is revised and updated every two to four years to ensure the organization maintains the ability to plan for short term changes such as economic conditions, ridership trends or funding opportunities.

Ferries historically have played a major role in Bay Area transportation. From the Gold Rush until the completion of the great Bridges in the 1930s, they were the sole means of transportation across the Bay. They fueled San Francisco's development as a major corporate and financial center. Today, ferries are once again a pivotal player in the Bay Area's future. The ability to expand ferry service ultimately will affect the region's economic resiliency and its ability to attract and retain employers, employees and jobs.

Staff looks forward to working with WETA's many stakeholders—passengers, community leaders, transit partners, and elected officials—to build the next generation of ferry service. WETA is ready to provide the leadership, coordination, and knowledge to ensure that we make the most of this opportunity and responsibility.

**Fiscal Impact**

There is no fiscal impact associated with this item.

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

**ATTACHMENT A**

**WETA Strategic Plan Revisions**

*October, 2016*

<b>Comments/Concerns</b>	<b>Document Revisions</b>
<ul style="list-style-type: none"> <li>• The Plan lacks a “true” introduction.</li> <li>• A message from the Executive Director will help to set the context and motivation of the plan.</li> <li>• The Plan needs a statement up front relating it to past plans and efforts.</li> </ul>	<p><b>Letter from the Executive Director inside front cover of the Plan.</b></p>
<ul style="list-style-type: none"> <li>• The Plan was not ambitious enough, did not go far enough.</li> <li>• The Plan lacked vision and did not reflect WETA’s changing role in the Bay Area.</li> </ul>	<p><b>Revised Mission and Vision statements.</b> The new Vision &amp; Mission statements are the product of a working group and the re-consideration of WETA and its role.</p>
<ul style="list-style-type: none"> <li>• The Plan was not ambitious enough, did not go far enough.</li> <li>• The Plan did not set out a vision for more ferry service.</li> <li>• The Plan lacked detail regarding expansion projects and the funding needed to deliver them.</li> <li>• The Plan was confusing, seeming to place projects in arbitrary years in the distant future.</li> </ul>	<p><b>Revised Expansion Section, relocated to the front of the document.</b> The revised expansion discussion includes a section stating the funding needs titled “Investing in an Expanded and Enhanced WETA System”. The section has been simplified to focus the discussion around projects. Also, a timetable graphic now identifies the “best case” scenario for project completion.</p>
<ul style="list-style-type: none"> <li>• The Plan lacked detail regarding expansion projects and the funding needed to deliver them.</li> </ul>	<p><b>Inclusion of 2016 cost estimate in Plan plus detail in Appendix A.</b> The cost estimates are the most recent estimates from individual project efforts. As projects change over time, the appendix will be replaced and updated.</p>
<ul style="list-style-type: none"> <li>• The Plan dwelled on funding challenges without offering potential solutions.</li> <li>• The Plan had a negative tone, identifying obstacles instead of opportunities for the WETA vision.</li> </ul>	<p><b>Revised section: Funding.</b> The revised section includes a focus on opportunities to achieve the WETA vision and a strategy for pursuing future funding opportunities.</p>

Comments/Concerns	Document Revisions
<ul style="list-style-type: none"> <li>• The Plan leaves out today’s riders and focuses only on expansion.</li> <li>• How do we ensure that rapid growth does not impact service quality?</li> <li>• The Plan should inform general public how successful ferries have been in recent years</li> </ul>	<p><b>New section: Quality.</b> This section discusses the rapid increase in ridership and the role WETA has played in addressing Bay Area transportation system disruptions in recent years. The section places an emphasis on existing routes and WETA’s ability to meet surging demand for ferry services.</p>
<ul style="list-style-type: none"> <li>• WETA plays a valuable role in oversight of ferry service in Bay Area</li> <li>• New private operators have a role to play, where does WETA fit in?</li> <li>• Development is playing a larger role and willing to bring money to table, how does WETA interact with private sector?</li> <li>• How does WETA expand with limited staff resources?</li> </ul>	<p><b>Revised section: Partnerships.</b> A significant addition to the Plan, this section details recent successful partnership efforts such as Seaplane Lagoon and Treasure Island. It also mentions the need to build successful relationships with funding agencies and partners, together with state and regulatory agencies. The section addresses the coordinating role WETA plays in SF Bay.</p>
<ul style="list-style-type: none"> <li>• The Plan lacks a clear statement regarding clean technologies</li> <li>• The Plan does not include enough regarding alternative vessel technologies and need to have low emission vessels.</li> </ul>	<p><b>New section: Environmental Stewardship.</b> Another significant enhancement to the Plan, this section describes WETA’s efforts towards greater environmental sustainability. The focus is on the potential and the commitment on the part of the organization to move towards clean technology vessels as the industry evolves. Also, there are discussions of sea level rise, water quality and sustainable construction of facilities.</p>
<ul style="list-style-type: none"> <li>• The Plan lacks an action program. How are we going to achieve these goals?</li> </ul>	<p><b>New Section: Implementation and Monitoring.</b> This new section proposes a system of checking in on strategic goals during the course of WETA’s normal activity. It also mentions standards and requirements that WETA will have to follow, based on funding and regulatory agency requirements.</p>
<ul style="list-style-type: none"> <li>• Does WETA have the organizational capacity for the growth envisioned? Staff resources?</li> <li>• How does WETA expand with limited staff resources?</li> </ul>	<p><b>New Section: Organizational Capacity and Leadership.</b> This section discusses the need to grow the organization as its portfolio and scope of services are expanded into the future.</p>



<ul style="list-style-type: none"> <li>• The Plan should acknowledge that a ramp-up period exists for all new services. Consistent with WETA’s System Expansion Policy, the Plan needs to communicate that it generally requires 10 years to achieve financial sustainability.</li> </ul>	<p><b>Additional Language:</b> Additional explanatory language has been included in Appendix A to address the need for a 10-year ramp up period.</p>
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<b>Format Changes</b>	<b>Rationale</b>
Professional look and feel, printing and paper stock	Intended to be user friendly, accessible and impressive.
Revised format: incorporating goals/objectives into body of Plan.	Plan flows better with goals & objectives closely tied to the discussion sections.
Revised format: photos from ferry riders	Provides visual appeal and involves loyal riders.
New Section: Evolution of WETA	Presents a time line showing the start of the organization, present activities and the future vision.
New Section: Acknowledgements	Thanks and acknowledging contributors and visionaries that helped create and strengthen the plan and organization.
New Section: Appendix of Expansion & Enhancement costs	Detail breakdown of funding needs for future advocacy and legislation.
Revised format: Focus areas.	Organizes the plan in an elegant way.

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**San Francisco Bay Area Water Emergency Transportation Authority**  
2016 Strategic Plan



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# From the Executive Director

It is my pleasure to share with you this important and timely document: The San Francisco Bay Area Water Emergency Transportation Authority's Strategic Plan, setting forth a vision, mission and priorities for the next 20 years of SF Bay Ferry service.

We envision and are planning for a system that seamlessly connects cities in the greater Bay Area with San Francisco, using fast, environmentally responsible vessels. With this increased capacity, and new docking facilities and terminals, we visualize wait times of 15 minutes or less during peak commute hours, along with new operations and maintenance facilities that keep our ferries running at peak performance.

Expansion of the system is critical for emergency response, a role mandated in our agency's state charter. In the event of a natural disaster, or a bridge or highway closure, we must meet our responsibility for coordinating water transit and the movement of emergency responders. Our target is to evacuate all of downtown San Francisco within 48 hours. It is a major responsibility, and one we do not take lightly.

Ferries historically have played a major role in Bay Area transportation. From the Gold Rush until the completion of the great Bridges in the 1930s, they were the sole means of transportation across the Bay. They fueled San Francisco's development as a major corporate and financial center. Today, ferries are once again a pivotal player in the Bay Area's future. The ability to expand ferry service ultimately will affect the region's economic resiliency, and its ability to attract and retain employers, employees and jobs.

I look forward to working with our many stakeholders—passengers, community leaders, transit partners, and elected officials—to build the next generation of ferry service. WETA is ready to provide the leadership, coordination and knowledge to ensure that we make the most of this opportunity and responsibility.

Sincerely,

A handwritten signature in black ink that reads "Nina Rannells". The signature is written in a cursive, flowing style.

Nina Rannells

# Introduction

With funding and environmental approvals, WETA's long-range plan calls for new terminals in Richmond, Treasure Island, Mission Bay, Berkeley, Redwood City, Seaplane Lagoon, the South Bay, and the Carquinez Strait, ultimately creating a robust 16-terminal regional network to meet the Bay Area's demand for a safe, sustainable and environmentally responsible transportation alternative.



Instagram: @sarakit13

The Bay Area transportation landscape is witnessing unprecedented growth and change. As the region experiences phenomenal economic and population growth, aging transportation infrastructure, competing funding priorities, and outdated equipment are stressing intermodal passenger capacity and efficiency as never before. Clearly, the region must look at new and innovative ways to ensure the Bay Area can responsibly meet the public's transportation and commuting needs now and in the future. Ferries are, and must be, part of the long-term solution.

Over the last 10 years, ferries have become an increasingly critical and attractive part of the Bay Area's transportation system, and the San Francisco Bay Area Water Emergency Transportation Authority (WETA) has become a valued partner to local communities in helping to meet the region's overburdened transportation needs. This 2016 WETA

Strategic Plan outlines a vision for the San Francisco Bay Ferry system over the next 20 years that responds to passenger demand, makes critical infrastructure investments, and increases WETA's ability to respond to emergencies and system disruptions.

With funding and environmental approvals, WETA's long-range plan calls for new terminals in Richmond, Treasure Island, Mission Bay, Berkeley, Redwood City, Seaplane Lagoon, the South Bay, and the Carquinez Strait, ultimately creating a robust 16-terminal regional network to meet the Bay Area demand for a safe, sustainable and environmentally responsible transportation alternative. As WETA plans for the future, its vision is that ferries run every 15 minutes in the highest volume locations, and that commuting by ferry is the first-choice travel option for thousands more Bay Area residents every day.

WETA has made significant progress toward these goals. Ferry ridership is at an all-time high. Legacy services in Vallejo, Alameda and Oakland have transitioned smoothly from city-run services to WETA operations. The first new ferry terminal built in the Bay Area in decades—in South San Francisco—is thriving after a ramp-up period. Funded projects such as the North Bay and Central Bay maintenance facilities, as well as expansion of the downtown San Francisco Ferry terminal and a new terminal in Richmond, are in the final design or construction phases. And finally, expansion candidate terminals throughout the Bay are seeking funding to enter project implementation.

Achieving WETA's 20-year vision will require all stakeholders to unite in investing in an expanded, financially efficient and environmentally sound regional ferry system. WETA must think bigger and more creatively to meet soaring consumer demand, while accomplishing its emergency response mission. Bipartisan support and regional collaboration among elected officials, statewide and local referendums, and expanded public-private partnerships will be key to SF Bay Ferry's success in bringing the benefits of water transit to even more communities and passengers.

## Mission and Vision

In 2008, the WETA (then WTA) Board of Directors adopted Mission and Vision statements for the newly-created organization. Since then, WETA services have matured, and its role in the region has evolved. In particular, regional leaders have looked to WETA to help fill gaps in the transportation network following major disruptions to the regional system, such as bridge closures and BART service disruptions and breakdowns. In recognition of the increasingly significant role that WETA plays in supporting the regional transportation network and economy, the WETA Board of Directors developed and adopted new Mission and Vision statements in June 2016:

### **WETA Mission**

*WETA is a regional agency with a responsibility to develop and operate a comprehensive Bay Area regional public water transportation system. WETA shall also coordinate water transportation services following natural disasters and transportation disruptions.*

### **WETA Vision**

*WETA develops, operates and manages an expanded and enhanced region-wide ferry system that provides a reliable, state-of-the-art and attractive transportation option for the Bay Area and plays a critical role in coordinating and providing water transportation to serve emergency response and economic recovery needs.*

The new Mission and Vision statements express the aspirations and goals developed by the Board throughout the strategic planning process. The statements place an emphasis on WETA's regional scope, and emphasize WETA's commitments to expanding the system beyond today's terminals and to enhancing service offerings. The statements also describe WETA's role as a provider of transportation service after a natural disaster and during a subsequent economic recovery. Taken together, the Mission and Vision statements describe and characterize WETA's multiple functional roles in the regional transportation network.

This Strategic Plan provides additional details on how WETA will perform these roles. It also addresses the key focus areas identified in the strategic planning process, and outlines the goals and objectives that will ensure WETA's future success.

# The Strategic Plan

WETA's Strategic Plan addresses seven focus areas that support its strategic priorities over the next 20 years. The following pages detail these focus areas and their respective goals and objectives.

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## VISION

Develop, operate and manage an expanded and enhanced region-wide ferry system that provides a reliable, state-of-the-art and attractive transportation option for the Bay Area and plays a critical role in coordinating and providing water transportation to serve emergency response and economic recovery needs.

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## FOCUS AREAS

1. Expanded Service
2. Funding
3. Quality
4. Partnerships
5. Environmental Stewardship
6. Emergency Response
7. Organizational Capacity and Leadership

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## GOALS

Goals are defined for each of the seven focus areas.

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## OBJECTIVES

Objectives are outlined in each focus area, identifying specific, desirable outcomes.

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Instagram: @tripsandgiggles



# Focus Area: Expanded Service

The expansion of ferry service will help to address congestion in the Bay Area while continuing to build WETA’s emergency response network. In addition, cities across the Bay Area are redeveloping waterfront areas and see ferry service as not only an attractive means of transportation, but as a valuable strategy to enhance communities and support economic development goals.

## Expanding and Enhancing Ferry Service

In WETA’s vision for the future, passengers will no longer need to consult a schedule. This means 15-minute peak frequency in the highest volume locations, with 30-minute peak frequencies at all other terminals. It expands ferry service to Richmond, Treasure Island, Berkeley, Mission Bay, Seaplane Lagoon, the South Bay and the Carquinez Strait. It changes ferry service, currently a small niche market in the Bay Area’s transportation system, into a first-choice travel option for thousands more people every day. This level of expansion will allow us to quadruple our ridership capacity from current levels, and extend the reach of WETA’s route network to provide a service that is truly regional.

Today, WETA’s system is positioned for this level of expansion with strong leadership, healthy ridership and fully funded prerequisite system facilities. Investments over the past five years have been made with expansion and system resiliency in mind. New maintenance facilities in Vallejo and Alameda are sized to accommodate a much larger fleet. Expansion of the Downtown San Francisco terminal will support new ferry services from Richmond and Treasure Island, as well as other potential locations that are currently under study. Investment in rehabilitation projects at existing terminals enable the long-term viability of WETA assets and provide for operational flexibility. And finally, prudent use of federal vessel

replacement funds and state funding will increase the size and capacity of the WETA fleet into the future.

WETA’s 20-year expansion and enhancement plan would increase ferry service capacity by more than 80 percent, providing the Bay Area with one of its best options to offer congestion relief in the Bay Bridge corridor. Estimated ridership would grow from approximately 10,000 daily boardings today to more than 40,000 in the future. While there are currently only five peak-hour landings at the Ferry Building, there will be 25 landings in the peak hour once the expansion and enhancement program is realized. Table 1.0 illustrates the significant expansion in ferry service represented by planned enhancement and expansion of the system.

This Strategic Plan sets out an ambitious long-term vision for how ferry service should grow over the next two decades to help meet the region’s transportation needs. This plan includes the full list of projects required to deliver the vision, even where many of the details have yet to be worked out. An appendix to this plan provides a high-level overview of the estimate of the capital and operating costs of the full 20-year plan, based on current assumptions and expectations. Although the exact details reflected in the appendix will likely change over time, the overarching vision will remain that WETA serves all corners of the Bay Area with frequent, reliable service.

**TABLE 1.0:**  
Projected Capacity and Ridership for Enhanced and Expanded Ferry System

	2016	Expanded & Enhanced System
Peak Capacity (Seats)	1,802	13,335
Estimated Daily Riders	10,000	40,760

## Investing in an Expanded and Enhanced WETA System

Today, WETA operates 12 vessels on four separate routes, calling on eight terminals. The future vision as presented in Figure 1.0 would expand service throughout the Bay Area, operating 12 services at 16 terminals with a fleet of 44 vessels.

Doubling the number of terminals and more than tripling the size of the fleet is no small undertaking. As detailed in Appendix A and summarized in Table 2.0, the total capital cost for all of the new projects that are part of this strategic vision is estimated at approximately \$1.15 billion (2016 dollars). About 60 percent of this amount would go towards new vessels, and the remaining 40 percent is for terminal facility improvements. At this time, WETA has secured informal commitments for almost \$300 million in capital funding. The remaining unmet capital need for new projects is approximately \$850 million.

At full buildout, the cost to operate the future system would expand WETA's annual operating budget from just over \$34 million today to approximately \$144 million in the future. Assuming that WETA is able to continue to achieve a farebox recovery ratio – the portion of the operating expenses covered by fare revenue – of 50 percent, the total operating subsidy needed for steady operations at this level of service is \$72 million per year. Based on anticipated funding from existing sources and planned partnerships, this would require an additional annual subsidy of \$49 million per year.

Obviously no single funding source can be expected to support the entire vision laid out in this Strategic Plan. WETA will need to work to identify and secure contributions from multiple partners and stakeholders in order to achieve a fully funded expansion program. This topic is discussed further on pages 10, 11 and 12.

**TABLE 2.0:**  
**Funding Needs**  
**for Expanded and**  
**Enhanced Ferry**  
**System (in millions)**  
**(2016 dollars)**

	Annual Operating		Vessels		Terminals	
	Committed Funding	Needed Funding	Committed Funding	Needed Funding	Committed Funding	Needed Funding
Enhancement	\$17	\$17	\$36	\$113	\$80	\$36
Expansion	\$6	\$18	\$83	\$275	\$99	\$143
Emerging	–	\$14	–	\$188	–	\$90
<b>Total</b>	<b>\$23</b>	<b>\$49</b>	<b>\$119</b>	<b>\$575</b>	<b>\$179</b>	<b>\$269</b>

All figures in 2016 dollars.

## Timetable

WETA's strategic vision is to deliver an enhanced and expanded ferry system to the Bay Area as fast as possible. To do this, WETA must place a significant focus on enhancement and expansion. This means dedicating resources and energy toward project development activities, partnering with local governments and the private sector, and campaigning for a greater share of funding at the regional and state level. New ferry terminals are subject to significant permitting requirements and environmental regulations that, combined with complicated construction and vessel procurement processes, can be anywhere from five to seven years in duration from project inception to opening. WETA continues to explore innovative ways to expedite project delivery, through partnerships with public or private-sector entities and site-selection analysis.

## The San Francisco Bay Area's Ferry System

Full buildout of the WETA system vision will bring ferry service to the Peninsula, the Carquinez Strait and the I-80 corridor, while significantly improving existing services in the Central and North Bay. This will be the realization of ferry service for the entire Bay Area as expressed in WETA's Mission and Vision statements. Providing frequent services (all day and all week) positions ferry services as a reliable, state-of-the-art transportation option for thousands of Bay Area residents and visitors. It also provides the necessary capacity and redundancy (additional vessels and terminals) to serve the Bay Area after a natural disaster.

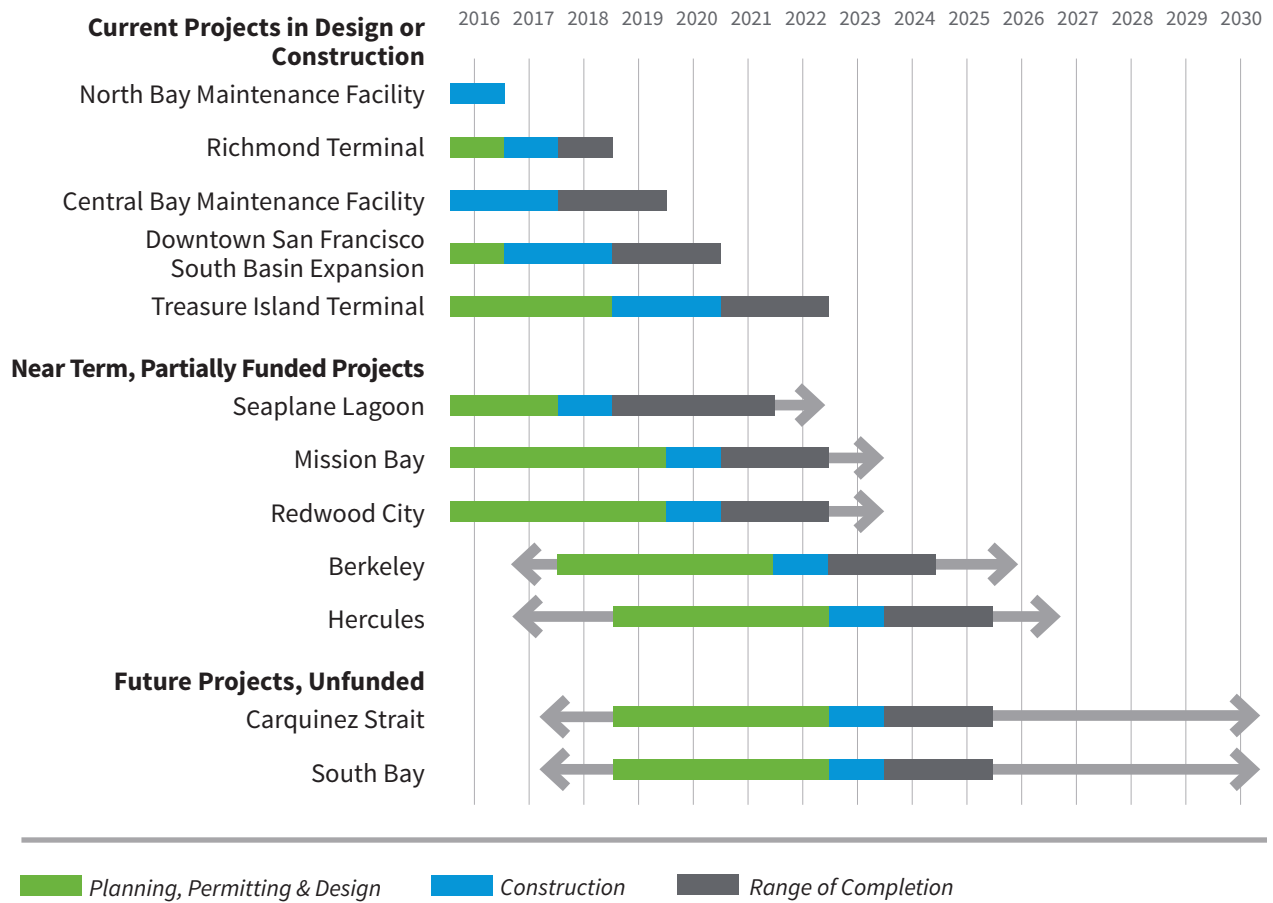


**FIGURE 1.0**

### Emerging Markets: South Bay and Carquinez Strait

With the increased job growth throughout the Bay Area, particularly in the corridor linking San Jose and San Francisco, there is a need to explore ferry service to locations previously not considered viable due to excessive travel time, environmental obstacles or high costs. With few realistic options for adding capacity in the Highway 101/Caltrain corridor, the ferry may be a cost-effective option worth exploring for South Bay communities such as Menlo Park, Palo Alto, Mountain View, Alviso, Milpitas or Fremont. The Carquinez Strait is another region that was the subject of past exploratory studies that concluded ferry service was not cost effective. However, changes in technology and the limited ability to build out other modes may warrant reconsideration of ferry service in the future in communities such as Martinez, Benicia, Rio Vista, Antioch or Discovery Bay. Demand for these services is steadily increasing, and WETA is prepared to work with regional stakeholders to identify and develop cost-effective options for serving travelers in these corridors.

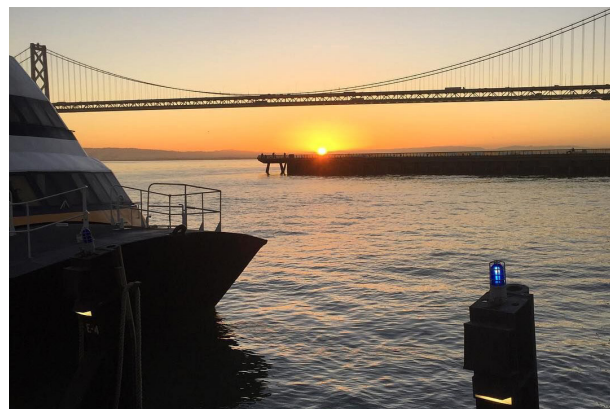
## Completion Timetable (Estimated Range)



- Projects generally take 5-7 years from inception to implementation.
- Implementation schedule significantly influenced by regulatory requirements, local support and fund availability for construction and operation.
- New services must meet WETA System Expansion guidelines, and funding/regulatory agency requirements.



Instagram: @pilawpina



Instagram: @bayferrycommuter

# 1. EXPANDED SERVICE

GOAL	OBJECTIVES
<p><b>A. Expand ferry service to meet San Francisco Bay Area transportation and emergency response needs.</b></p>	<ul style="list-style-type: none"> <li>i. Meet demand for WETA ferry transportation service.</li> <li>ii. Develop competitive ferry transportation services that offer commute choices and congestion relief.</li> <li>iii. Ensure the ferry is integrated into local and regional transportation plans and services.</li> <li>iv. Ensure expansion efforts are consistent with emergency response and recovery needs.</li> <li>v. Evaluate expansion candidates using WETA’s System Expansion Policy.</li> <li>vi. Evaluate existing WETA services for service enhancement using WETA’s Service Enhancement Policy.</li> <li>vii. Leverage ferry grants and funding by working with funding partners in the private sector and at the local, regional, state and federal levels.</li> <li>viii. Continue to serve as a catalyst for economic development and transit-oriented development initiatives.</li> <li>ix. Leverage private investment to support ferry services.</li> </ul>
<p><b>B. Reach out to all populations in developing and operating services in order to reduce barriers to ferry ridership and serve the larger Bay Area community.</b></p>	<ul style="list-style-type: none"> <li>i. Offer public transit service that does not discriminate due to physical capability, race, color, national origin, income level or language ability.</li> <li>ii. Design facilities, vessels, and services that are guided by Universal Design, accessible to persons with disabilities.</li> <li>iii. Be a responsible business partner, providing opportunities for disadvantaged or minority-owned businesses to contract with WETA.</li> <li>iv. Ensure public participation in decision making through inclusive methods of public outreach.</li> <li>v. Advocate for effective connecting bus service, providing a means of making the ferry accessible to transit-dependent populations.</li> </ul>



Instagram: @visitvallejo



Instagram: @bayferrycommuter

# Focus Area: Funding

Developing a robust, sustainable regional ferry system will require dedicated new funding sources that are sufficient to support capital and operating needs and create system reserves.

Over the years, WETA has received funding support from a variety of programs, ranging from federal formula and discretionary grants to local transportation funds, to build, maintain and operate its regional system of ferries, terminals, support facilities and services. Of these funds, Regional Measure 2 (RM2) bridge tolls have served as the cornerstone of WETA's ferry transit program, providing seed money for capital expansion projects (\$84 million) and \$18.3 million in ongoing annual operating support. Additionally, State Proposition 1B capital funds will provide \$250 million capital funds to support build-out of WETA vessels, terminals and core facilities necessary to deliver robust, reliable daily and emergency response and recovery services. If it were not for these two significant and dedicated funding sources, around which most other discretionary funds have been secured, WETA's system of vessels, services and facilities would not exist as they do today, serving more than 2 million passengers a year and providing a go-to emergency response transportation alternative. Moving forward, WETA will need a new commitment of similarly dedicated funds to support system services, planned expansion and increased emergency response capabilities.

## State of Good Repair

It is mission critical that WETA vessels and facilities are maintained in a "state of good repair" to support WETA's ability to provide reliable, safe, daily operations and ensure that the system is immediately available to serve in response to a natural disaster and during the economic recovery period that follows. Historically, approximately 80 percent of the cost of major system rehabilitation and refurbishment projects has been funded with federal formula grants programmed by the Metropolitan Transportation Commission (MTC), and the 20 percent local match has been provided by WETA. This significant financial support from the region has been critical to the long-term viability of the legacy routes inherited by WETA and will be vital to

*All figures in 2016 dollars.*

maintaining the system into the future. For purposes of this plan, WETA assumes that federal funds will continue to be available to cover 80 percent of the state of good repair needs at system build-out, resulting in a \$150 million local match requirement.

## Future Funding Needs

Meeting the long-term demand for ferry service will require significantly more funding than is currently available to the agency. Securing increased funding will be challenging in a competitive political environment, but is a critical piece of building out the ferry network to meet regional needs. The strategic vision for Bay Area ferry service expansion outlined in the previous section will require approximately \$50 million in new annual operating subsidy and \$850 million in new capital funds to support system enhancement and expansion over the next 20 years. In addition, approximately \$150 million in new local match (20 percent) funds will be needed to help maintain vessel, terminal and facility assets in a state of good repair to serve WETA's ongoing operation and ensure that vessels and facilities are up and running when needed for emergency response and recovery. This represents a tripling of the initial investment in WETA services made through RM2 and State Proposition 1B funds to support full system build-out. WETA will need the support of its local, regional, state and federal partners and stakeholders in its advocacy efforts for dedicated funding to support its program.

There has historically been strong political support at the state, regional and local level for the inclusion of ferry projects in the Bay Area's regional bridge toll measure programs, which are designed to fund transportation improvements that reduce congestion in Bay Area toll bridge corridors. WETA's regional transbay ferry services provide a strong nexus and logical fit for this program. Regional policy makers have already started discussions around the possibility of a new bridge toll augmentation ("Regional Measure

3"), and there are likely to be other regional funding opportunities in the decades ahead. WETA should engage in these policy discussions early to seek support for new funds to implement the program of projects and services included in this strategic plan. Ideally, the next regional bridge toll measure will include a similar level of commitment to WETA's regional ferry system as was made in RM2 for every new toll dollar authorized. With a commitment of new funds from this program, WETA would be positioned to move forward quickly to implement expansion services while continuing to seek complementary funding sources to stretch committed dollars even further. For example, grant augmentations from all levels of government can help support special projects, such as alternative propulsion technology and emergency response, and private sector contributions can help accelerate services that warrant public-private partnerships.

### Funding Provisions and Policies

WETA has established a solid foundation upon which to take on the task of further system expansion and development. A well-rounded staff of seasoned maritime transportation, finance, planning and operations professionals is in place. This team has established a strong track record of project delivery and responsive and responsible grant stewardship necessary to move WETA's program forward. As part of the effort to secure increased regional funding consistent with public expectations for its role in public transit and emergency response services, WETA will advocate for key changes to regional funding provisions and policies to guarantee that funds authorized for ferries remain dedicated for this purpose and to provide more flexibility in use of funds to meet the various system needs.

Key changes to regional provisions and policies that would support WETA's ability to deliver sustainable services include:

- **Expand fund eligibility to include emergency response and creation of system reserves; allow carry-over of unspent funds from year-to-year.** These provisions will help to recognize and fund WETA's full state mandate to provide ferry transit and emergency response services. It would also ensure

that funds authorized for WETA ferry services would be guaranteed to be made available for this purpose by program administrators. These provisions would improve WETA's ability to responsibly plan for long-term system needs, including establishing essential operating, capital and emergency response reserves that are not allowed per regional policies today.

- **Guarantee annual escalation of operating subsidies to cover a portion of cost inflation over time.**

This will help to ensure that services can be maintained and sustained over time with a balance of increased operating subsidies and reasonable fare increases. Currently, RM2 funds are not escalated on an annual basis, requiring WETA to raise fares annually and customers to shoulder an increasingly disproportionate share of operating costs. Without increased subsidy dollars, fares will eventually need to be priced so high that they will not be competitive with the rest of the regional transit system, and will be out of reach for lower income residents.

- **Establish performance metrics for WETA's regional system that encourage system investment.**

Regional system performance requirements for WETA ferry services were developed a number of years ago before WETA's system of regional ferry services was established. These requirements are outdated and should be revisited to reflect the long-term benefits of building up the ferry network in our region. Revised policies should allow for an adequate ramp-up period for new services (10 years minimum), view WETA ferry services on a system-wide basis rather than route-by-route, and provide allowances for program costs and requirements related to emergency response.

Advocating for changes to funding policies and guidelines does not mean that WETA should abandon its current practice of seeking strong, competitive expansion opportunities. Communities throughout the Bay Area have a number of transportation needs and an investment in ferry service has to make sense from a financial perspective. However, these policy changes are necessary to support and maintain the existing system. Pressing for them now will help ensure that both the existing operations and service to new markets are equally sustainable.

*Financial support for system growth is needed to ensure that sufficient vessels, terminals and trained crew will be available in the event of a major disaster.*

## 2. FUNDING

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GOAL	OBJECTIVES
<b>A. Achieve financial sustainability.</b>	<ul style="list-style-type: none"><li>i. Identify new sources of stable operating funding for future WETA ferry services.</li><li>ii. Create an operating reserve, ensuring sufficient operating resources to maintain flexibility.</li><li>iii. Pursue cost-effective service delivery strategies.</li><li>iv. Achieve a sustainable balance between existing operating subsidies and farebox revenue.</li><li>v. Explore revenue-generating opportunities that will contribute to ferry operations.</li><li>vi. Achieve farebox recovery goals consistent with WETA's Fare and Special Events Policies.</li><li>vii. Advocate for sustainable provisions in new regional funding that allow for the creation of an operating reserve, escalation of operating funds due to inflation and reasonable performance criteria that will encourage transportation investment.</li></ul>
<b>B. Be a responsible steward of public funds.</b>	<ul style="list-style-type: none"><li>i. Manage WETA capital grants and operating funds to ensure balanced budgets.</li><li>ii. Support regional initiatives offering need-based fare assistance and innovations in fare media-based programs.</li><li>iii. Expand and enhance ferry service using committed funding, based on partnerships with other agencies whenever possible.</li><li>iv. Seek cost effective strategies to manage expenses in the provision of ferry service.</li><li>v. Be consistent with WETA's fare policy and WETA's fare programs when establishing and revising fares.</li><li>vi. Follow best practices for procurement and fiscal management when using consultants, vendors or contractors.</li><li>vii. Strive to keep ferry fares affordable and in line with other Bay Area public transit options to ensure equality and access to all income levels.</li></ul>

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# Focus Area: Quality

Ensuring that WETA's ferry service remains reliable, safe and comfortable is critical to offering passengers the most pleasant means of travel across the Bay. As passenger loads continue to grow, WETA's service quality must remain high.



Instagram: @shakinlikemilk

Today, the WETA system is a small but meaningful component of the Bay Area's transportation system, carrying close to 10,000 travelers on an average day—more than 2 million riders in a year—from terminals in Oakland, Alameda Main Street, Alameda Harbor Bay, South San Francisco, Vallejo and San Francisco. As the Bay Area economy has surged in recent years, the other primary means of crossing the Bay—the Bay Bridge, BART and AC Transit—have reached record levels of demand and have experienced capacity shortfalls. Ferries have been the beneficiary of crowded trains, buses and roads, and recent disruptions to those systems have exposed commuters and recreational travelers to ferry travel.

Overall ridership on the WETA system has increased 72 percent between 2012 and 2016 with individual routes ridership increases as follows:

- Alameda/Oakland - 77 percent
- Vallejo - 56 percent
- Harbor Bay - 64 percent
- South San Francisco - 274 percent

The rapid increase in ridership has caused crowding and strained capacity on the most popular trips, causing leave-behinds and disrupting travel for ferry passengers. In June 2015, the WETA Board adopted a Service Quality Policy that states a service averaging 80 percent occupancy or higher during the peak hour would justify a service enhancement. Many of WETA's services averaged between 90 and 100 percent occupancy during the summer of 2016. It is anticipated that peak-period service increases that exceed the limits of available funding will be needed over the next few years to maintain board-adopted service standards. Projections for continued economic growth in the Bay Area—and for job growth in San Francisco in particular—are robust, while capacity on both BART and the Bay Bridge will continue to be limited, suggesting that barring significant changes in the local economy, recent positive trends in ferry ridership will continue. WETA will continue to strive to meet this demand through existing resources and advocacy for operating funds to support enhanced service into the future.

### 3. QUALITY

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#### GOAL

#### OBJECTIVES

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##### A. Provide quality ferry transportation service.

- i. Offer reliable, scheduled ferry service.
- ii. Ensure ferry travel is comfortable and relaxing.
- iii. Meet demand for ferry service.
- iv. Help to reduce congestion by offering attractive, competitive transit choices for Bay Area travelers.
- v. Provide safe, clean and attractive terminal facilities.
- vi. Offer customer support through friendly, well-trained crew and staff.

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##### B. Ensure safe and secure ferry operations.

- i. Ensure captains and crews are properly trained in all safety procedures.
  - ii. Design and construct facilities to Essential Facilities standards.
  - iii. Maintain a constructive partnership with the US Coast Guard to ensure continued safe operations.
  - iv. Ensure vessels and facilities are properly serviced and maintained.
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*Projections for continued economic growth in the Bay Area—and for job growth in San Francisco in particular—are robust, while capacity on both BART and the Bay Bridge will continue to be limited, suggesting that barring significant changes in the local economy, recent positive trends in ferry ridership will continue.*



Instagram: @jodeemdreambig



Instagram: @crepessuzzette

# Focus Area: Partnerships

Partnerships with local, regional and private sector entities have helped the ferry system develop to what it is today. Moving forward, enhancing existing partnerships and establishing new partnerships will be critical to the success of WETA's expanded network and service.

The ferry system we have today was developed through multiple partnerships with local, regional and private-sector entities. Three of the four WETA routes now in operation were initiated by individual cities that put in significant time, money and effort to establish and nurture the return of ferry transportation in our region. As these routes were consolidated under WETA, more sophisticated partnerships have emerged to support both day-to-day operations and the expansion and enhancement of ferry services. For example, jurisdictions in Contra Costa County have jointly pledged a dedicated funding stream from a local transportation sales tax to cover the first 10 years of operations on the new Richmond service. In another model, the private partners who are constructing a mixed-use development on Treasure Island have agreed to fully fund multiple vessels, plus the net operating funding required for planned service between the Island and downtown San Francisco.

In some cases, partnerships are primarily focused on the activities that support WETA's routine activities. Given the small size of WETA's staff, the agency currently contracts with private-sector firms for many of its functions, including its contract operator and its labor union affiliates, engineers, consultants and vendors working on various WETA capital construction projects. The continued operation of WETA's ferry services is also the result of partnerships between WETA and the transportation funding agencies that provide capital and operating support, including the Federal Transit Administration, the Metropolitan Transportation Commission, county transportation authorities and even cities. WETA will need both new partners and the continuation of existing relationships to ensure that funding is sufficient to allow the system to grow to meet demand. In particular, labor unions, community groups, business organizations and other key stakeholders can be helpful allies in making the

case for increased financial support. WETA should also enhance its relationships with local, state and federal permitting and regulatory agencies, and seek ways to better coordinate and accelerate the timeline for review and approval of new services that respond to transportation needs in the Bay Area.

Partnerships with cities, ports and waterfront neighbors are another important component of safe and vital ferry operations. Cities play an important role in building ferry ridership through supportive access infrastructure, such as bicycle lanes or parking. These stakeholders also can provide advocacy at the regional or state level to support needed regulatory or financial reforms. City land use policies and decisions play a critical role in supporting ridership for ferry services. Transit agencies providing feeder bus services are also a natural partner for WETA, which seeks to diversify access options beyond parking to include walking, biking and transfers from local bus providers.

Partnerships with the development community have become increasingly important as more cities become interested in new ferry services for their communities. Ferry terminals serve as catalysts to new development, helping to bring transit to underserved or isolated waterfront communities. This has been the case in South San Francisco, where new commercial development is leveraging the ferry terminal to draw employees from the East Bay. On both Treasure Island and Alameda's Seaplane Lagoon, future ferry terminals will provide a focal point for community development and a key connection to San Francisco. These development partnerships often involve one or more parties bringing new financial resources to the table in order to support the needed capital investments, operating subsidies or ancillary improvements that help to build patronage to sustainable levels. To the extent that government subsidies do not keep up with WETA's financial needs,

developers and their tenants may become more essential partners in targeting investment toward the most promising markets for future ferry services.

Another recent trend in the Bay Area is the emergence of new private transportation options, including small private ferry operators seeking to enter the market, as well as employer-based commuter shuttles aiming to develop new transportation solutions for their urban workforce. It will be important for WETA to monitor developments in this area and consider opportunities for coordinating expansion activities with private transportation innovators in order to ultimately improve and expand the network of water-based services available in the Bay Area.

Finally, WETA plays an important coordination role within the emergency response framework of the Bay Area and California. WETA has developed strong partnerships with both private service entities and public agencies at all levels of government for planning, coordinating and operating emergency response services. Ongoing activities such as regular communications and check-ins with various partners, development of joint plans, and active participation in local, regional, state and federal response exercises are necessary to deliver effective responses to natural disasters and transportation disruptions.

*It will be important for WETA to monitor developments in this area and consider opportunities for coordinating expansion activities with private transportation innovators in order to ultimately improve and expand the network of water-based services available in the Bay Area.*

## 4. PARTNERSHIPS

GOAL	OBJECTIVES
<p><b>A. Establish and foster partnerships to ensure quality ferry transportation and expansion of the ferry system throughout the San Francisco Bay Area.</b></p>	<ul style="list-style-type: none"> <li>i. Reach out to private-sector partners that provide contract and consulting services through fair and transparent procurement processes.</li> <li>ii. Establish positive working relationships with cities and other government agencies through Memoranda of Understanding and Project Agreements.</li> <li>iii. Work with potential development partners in both the public and private sectors when expanding the WETA system to ensure integrated, attractive projects that serve Bay Area communities.</li> <li>iv. Work with funding partners and regulatory agencies collaboratively to ensure all ferry facilities and services serve the public and provide quality transportation and emergency response services.</li> <li>v. Outreach to private operators of ferry services and other transportation innovators to explore opportunities for collaboration in providing service to underserved or non-competitive markets.</li> <li>vi. Establish partnerships with transportation providers—transit agencies, private ride services, bike share programs—to enhance connectivity to ferry terminals.</li> </ul>

# Focus Area: Environmental Stewardship

Public transit offers an alternative to the private automobile, reducing congestion and pollution due to single-occupancy vehicles. WETA plays a vital role in the Bay Area by providing high-volume service during peak congestion periods, efficiently moving people across the Bay. As vessels and technology advance, WETA will continue to be a leader in environmental efficiency and responsibility.

## Continuous Environmental Improvement

WETA has a multi-faceted role in the Bay Area's efforts to preserve, protect and enhance the local environment. WETA supports alternative transportation choices for local residents and visitors; it seeks greater environmental efficiency when designing new facilities and infrastructure; and it strives to improve the environmental profile of its ferry fleet. Being a water-based transportation service, WETA will be directly impacted by sea-level rise, and climate adaptation strategies are likely to be increasingly important considerations for the organization over the next several decades.

As a provider of public transit, WETA helps to reduce local negative environmental impacts by providing congestion relief in key commute markets and an alternative to trips by single-occupancy vehicles. The vast majority of trips on WETA ferries occur in the heavily traveled I-80 corridor. WETA's daily service offers travelers an alternative to driving on oversubscribed roadways, and ferries are an important backup option in the event of problems with the Bay Bridge or any of the other transit providers in the corridor. In addition to serving the everyday transportation needs of the Bay Area's workers, WETA also provides an attractive option for recreational travel, such as for ballgames and other weekend excursions. This reduces reliance on vehicles, and also alleviates congestion, parking and crowding issues related to parades, festivals and other special events.

As WETA services have gained in popularity, land-side access to terminals has become a greater concern. WETA already partners with the relevant transit operators and nearby employers to establish transit service and shuttles that provide sufficient first- and last-mile access to terminals. WETA also coordinates with local jurisdictions to ensure that bicycle and pedestrian infrastructure is sufficiently developed to encourage non-motorized terminal access.

In addition to the functional role that WETA services play in the transportation network, the agency is also a direct factor in environmental improvement when it makes investments in fixed facilities and other regional infrastructure. Under current practices, WETA strives to have all of its buildings meet the highest possible standards for environmental efficiency, via LEED certification and similar efforts. Building for efficiency from the start reduces life-cycle energy consumption. Going forward, WETA will look for opportunities to further improve the portfolio mix of its building energy consumption. For example, the agency could consider participation in emerging local efforts to develop community choice aggregation projects that offer alternative utility purchasing arrangements, or it could explore direct generation, such as installation of solar panels or wind turbines on its fixed facilities.

With all of its facilities and operations located at the edge of the San Francisco Bay, WETA will be directly affected by climate change and any associated sea level rise. As the region continues to explore adaptation strategies and other mitigations, WETA will monitor forecasts and trends, so that the agency can determine appropriate investments that will protect assets and secure its ability to operate for many years to come.

*WETA has consistently been an environmental leader in developing new clean diesel technology for use on passenger ferry vessels. Moving forward, WETA will continue its work in developing innovative, environmentally friendly propulsion technologies as part of its long-term approach to future capital investments.*

**Clean Vessel Technology**

WETA has consistently been an environmental leader in developing new clean diesel technology for use on passenger ferry vessels. Beginning with its first vessels, the Gemini Class series constructed in 2007, WETA pushed for the development and implementation of new diesel engine after-treatment technology. This resulted in these vessels exceeding EPA’s then-current Tier 2 emissions standards by 97 percent, proving to the industry that increasingly stringent Federal emissions requirements were achievable. New vessels under construction for WETA in 2016 follow suit, and are on target to achieve EPA’s Tier 4 emissions standards and reduce an estimated 10 tons of NOx, PM and CO emissions annually, utilizing a combination of selective catalytic reduction and diesel oxidation catalyst technologies. These achievements support the ambitious goals set by state and regional leaders for reducing harmful emissions and decreasing the climate impacts of transportation.

Moving forward, WETA will continue its work in developing innovative, environmentally friendly propulsion technologies to utilize as a part of its long-term approach to future capital investments. As a part of this effort, WETA will look for targeted opportunities to experiment with emerging technologies such as all-electric, hybrid-electric or wind-assisted propulsion systems as new vessels and services are designed and developed. New vessel technologies employed will be designed to allow flexibility to operate on multiple routes in order to support interlined service schedules, which maximize operating efficiency by sharing vessels and their crews between services, and to allow vessels to be flexed between services to most effectively respond to surges and changes in customer demand. In addition, because WETA’s assets are a critical piece of the region’s emergency response capability, alternative technologies will ideally be both environmentally sustainable and sufficiently resilient to be able to operate continuously in the event of a local disaster.

**5. ENVIRONMENTAL STEWARDSHIP**

<b>GOAL</b>	<b>OBJECTIVES</b>
<b>A. Seek continuous environmental improvement.</b>	<ul style="list-style-type: none"> <li>i. Ensure vessels meet or exceed federal, state and regional emissions standards.</li> <li>ii. Utilize proven technologies to improve environmental performance.</li> <li>iii. Reduce automobile travel and congestion by maximizing ferry ridership.</li> <li>iv. Encourage alternate mode access to ferry terminals by accommodating bicycles, transit and pedestrians.</li> <li>v. Build facilities that meet LEED standards for environmental efficiency, as applicable.</li> <li>vi. Monitor sea level rise and plan for impact of climate change.</li> </ul>

# Focus Area: Emergency Response

During the last several years, WETA has provided critical relief-valve service when BART or the Bay Bridge have been shut down or experienced service disruptions. These situations have illustrated that ferries are an important resource for the Bay Area. When faced with a service disruption or disaster, ferries are capable of moving thousands of people across the Bay. WETA's emergency response capabilities will continue to be a focus of the organization.



Instagram: @meredithrex

## Emergency Response

As part of its founding charter, WETA is directed to provide emergency response capabilities that might be needed after events such as natural disasters, emergencies or major network disruptions in the Bay Area. WETA plays an important role in coordinating the ferry transportation response and providing resources for decision-makers at the regional, state and federal level. Should an emergency occur, those decision-makers will direct resource deployment to provide movement of first responders, evacuation from dangerous areas, and delivery of needed supplies. WETA itself can only provide a physical response using the assets and personnel it has on

hand within its own fleet. By coordinating across all maritime partners in the region, WETA can amplify its own capacity to execute the priorities of the California Office of Emergency Services and the Federal Emergency Management Agency.

As one example, the existing WETA ferry transit system has the capability of evacuating 62 percent of Downtown San Francisco's daytime population within 48 hours, using its own vessels. With assistance of other operators, WETA could evacuate a more significant share of the daytime population. As the network of WETA vessels, terminals and core facilities expands, the agency will have increased capacity to serve this purpose.

*Currently, the WETA ferry transit system has the capability of evacuating 62 percent of Downtown San Francisco’s daytime population within 48 hours, using its own vessels.*

**Economic Recovery**

In the recovery period after an event, WETA may be the only viable Transbay operator for a period of weeks or months. The ability to maintain transportation connectivity on the water could be critical in helping the Bay Area quickly regain its footing while needed infrastructure and services are rebuilt.

In addition to recovery from emergency and disaster situations, WETA can provide support during disruptions to the Bay Area’s transportation network. Closures of BART and the Bay Bridge have increased in recent years and will continue to be a concern as

existing transportation systems age and experience the stress of increased demand. This includes both scheduled facility closures for construction and maintenance activities and unscheduled closures due to equipment failures or unanticipated incidents.

As with natural disasters and other emergencies, WETA’s ability to respond when called upon is tied directly to the size and scale of its fleet and facilities. Building increased capacity through system expansion and service enhancement will strengthen WETA’s ability to operate for prolonged periods at increased service levels, helping to sustain the Bay Area both in the short term and in the long run.

**6. EMERGENCY RESPONSE**

GOAL	OBJECTIVES
<p><b>A. Effectively manage the waterborne transportation response to natural disasters and disruptions to the Bay Area’s transportation network.</b></p>	<ul style="list-style-type: none"> <li>i. Actively maintain and update WETA’s Emergency Response Plan.</li> <li>ii. Build emergency response capability in conjunction with WETA’s enhancement and expansion of transit service.</li> <li>iii. Increase the size and capacity of WETA’s fleet to absorb surges in ridership due to emergency response and recovery needs or disruption in Bay Area transportation.</li> <li>iv. Ensure WETA terminals have sufficient capacity for emergency response operations.</li> <li>v. Develop maintenance and fueling facilities that support emergency response activities.</li> <li>vi. Develop emergency preparedness partnerships with public safety officials and transportation operators at the federal, state and regional level.</li> <li>vii. Maintain training programs and participate in regional joint exercises to ensure WETA and contract operator staff are prepared for emergency operations.</li> <li>viii. Communicate WETA’s emergency response capabilities and resource needs to key participants and stakeholders in the emergency response community.</li> </ul>



# Focus Area: Organizational Capacity and Leadership

WETA’s organizational capacity and leadership will be critical to managing and expanding ferry services in the future.

The legislation that created WETA anticipated the agency playing a leadership role in the areas of emergency response and ferry development throughout the San Francisco Bay Area. Today, the WETA Board is well positioned to prepare the organization for continued growth. The 2016 Strategic

Plan provides the direction needed to realize WETA’s vision, and will be reassessed over time to account for changes in the region and the industry. The WETA Board will continue to play an active role in managing the ferry system and partnering with stakeholders throughout the Bay Area.

## 7. ORGANIZATIONAL CAPACITY AND LEADERSHIP

GOAL	OBJECTIVES
<p><b>A. Ensure WETA has the organizational capacity to manage and expand ferry services, according to the strategic direction of the Board of Directors.</b></p>	<ul style="list-style-type: none"> <li>i. Provide an environment where WETA’s strategic direction can be understood and reassessed on a periodic basis.</li> <li>ii. Prepare the organization for continued growth by ensuring that Board direction is clearly communicated and understood.</li> <li>iii. Maintain and develop WETA staff resources.</li> <li>iv. Utilize contract service providers and consultants to augment the organization’s administrative and service needs.</li> </ul>
<p><b>B. Provide leadership for the continued operation and expansion of ferry service throughout the Bay Area.</b></p>	<ul style="list-style-type: none"> <li>i. Provide a forum for policy development and regular input through WETA Board meetings.</li> <li>ii. Establish and maintain collaborative partnerships with WETA contractors and vendors.</li> <li>iii. Develop cooperative relationships between WETA and organized labor.</li> <li>iv. Seek the input of ferry riders when considering major changes to the service and the ferry system.</li> </ul>

# Implementation and Monitoring



Instagram: @susankrlib

## Implementation

The Strategic Plan is designed to help guide agency priorities and decision-making. It will be implemented in the management of ongoing ferry operations, the enhancement and expansion of services and facilities, and in planning for the future. The Plan will provide WETA leaders with guidance and direction at critical junctures where resource allocation and stakeholder needs must be addressed. It will also direct WETA's attention to areas of focus as the future unfolds. It does not dictate how these various activities occur, but instead provides a cohesive policy framework for long-term growth and success.

## Monitoring

The WETA Board will continually revisit and reassess the direction of the Strategic Plan through planning studies and public forums. Additionally, monitoring of WETA's progress toward the goals and objectives outlined in the Strategic Plan will occur through integration with key regional reporting requirements and Board oversight.

## External Standards and Reporting

WETA adheres to standards and reporting requirements set by federal, state and regional agencies. WETA will work to integrate and synchronize these external requirements with its own framework for tracking performance and progress towards

Strategic Plan objectives. Key external reports and standards include:

- **Federal Requirements:** WETA reports performance data to the Federal Transit Administration (FTA) through annual submittals to the National Transit Database. Additionally, WETA participates in the FTA Triennial review process.
- **Regional Requirements:** The Metropolitan Transportation Commission (MTC) requires WETA to make annual reports of key service and cost efficiency metrics as part of its Transit Sustainability Project. MTC also requires that transit operators within the Bay Area produce *Short Range Transit Plans* (SRTPs) that describe and quantify their 10-year operating and capital plans. The WETA 2016 *Short Range Transit Plan* (SRTP) provides a fiscally constrained projection for the FY2016–2025 period.
- **Other:** WETA's Emergency Response Plan (March 2016) and related documents describe WETA's plans and strategy for response to a catastrophic incident affecting Bay Area regional transportation operations consistent with the standards of the National Incident Management System (NIMS), the California Standardized Emergency Management System (SEMS) and other federal and state requirements and standards for emergency response.

# Our Vision for Ferry Service in 2035

**12 Vessels**  
**7 Terminals**  
**4 Routes**  
**Peak Capacity of 1,802**  
**7,583 Daily Riders**  
**5 Peak Hour Landings at SF Ferry Building**  
**\$33 Million Operating Budget**



2016

2035



**44 Vessels**  
**16 Terminals**  
**12 Routes**  
**740% Increase in Peak Capacity**  
**5x the Daily Riders**  
**25 Peak Hour Landings**  
**\$144 Million Operating Budget**

# An Evolution of WETA

## Milestones, Plans and Opportunities

**1989**

### **Loma Prieta Earthquake**

The Alameda/Oakland service, coupled with existing Vallejo service initiated in 1986, helped to serve travelers in the Bay Bridge corridor during this critical time.



SFMTA.com

**1999**

### **State Legislature Creates Water Transit Authority (WTA)**

In 1999, the state legislature created the San Francisco Bay Area Water Transit Authority (WTA) to plan new and expanded environmentally friendly ferry service and related ground facilities.

**2003**

### **WTA Adopts the Implementation and Operations Plan**

In July 2003, WTA delivered an Implementation and Operations Plan (IOP) and companion programmatic Environmental Impact Report, identifying seven new potential ferry routes linking Oakland-South San Francisco, Berkeley-San Francisco, Richmond-San Francisco, Hercules-San Francisco, Antioch-San Francisco, Redwood City-San Francisco and Treasure Island-San Francisco.

**2004**

### **Voters Approve RM2**

Successful passage of Regional Measure 2 (RM2) in 2004 provided local toll bridge funds for regional ferry system expansion. With the approved funding, WTA moves forward with public ferry expansion plans outlined in the IOP.

**2006**

### **WTA Awards Contract to Nichols Brothers Boat Builders for First New Vessels**

In April 2006, the WTA Board approved the first of two contracts with the team of Nichols Brothers Boat Builders and Kvichak Marine Industries, Inc. for the construction of four new ferry vessels to add to the Bay Area fleet. These environmentally-friendly Gemini Class vessels were designed for low-wake/low-wash operation, and exceeded EPA Tier 2 Emission standards by 97 percent by utilizing a state-of-the-art Particulate Matter and NOx emission reduction system built specifically for WETA.

**2007**

### **SB 976 Establishes San Francisco Bay Area Water Emergency Transportation Authority (WETA) to Replace WTA**

In 2007, with the aftermath of Hurricane Katrina still fresh, the governor signed SB 976, which created the San Francisco Bay Area Water Emergency Transportation Authority (WETA) as successor to WTA. It directed WETA to run a consolidated regional ferry system and prepare the system to respond to a natural or man-made disaster, in particular a major earthquake that disrupts bridge traffic in and out of San Francisco.

**2008**

### **CalOES Approves \$25 Million Proposition 1B Funds to Support WETA Build-Out**

In June 2008, the California Governor's Office of Emergency Services approved \$25 million in state Proposition 1B bond funds to support the design and construction of planned WETA ferry terminals, facilities and vessels to be made available to support emergency response transportation services in the region. This landmark allocation was the first installment of a promised \$250 million to be made available by the state to support build-out of WETA's planned expansion system.

**2009**

### **WETA Delivers Transition Plan**

In June 2009, WETA issued a Transition Plan as specified by recent legislation SB 1093. The legislation required that transfer of the boats, terminals and other equipment and facilities to WETA be negotiated between the agency and those cities, subject to public hearings and review, and mandated that the Transition Plan lay out WETA's plans for operating and financing current and expanded ferry service. The Plan was prepared in collaboration with the cities to ensure continuity of service and respect for local development goals for ferry terminal property and nearby lands.

### **WETA Breaks Ground on New South San Francisco Terminal**

In October 2009, WETA began construction of a new ferry terminal in South San Francisco.

## 2011

### **WETA Enters Into Operations and Maintenance Contract With Blue & Gold Fleet**

In 2011, Blue & Gold Fleet was selected to operate WETA's consolidated San Francisco Bay Ferry System.

## 2012

### **City of Alameda Services Transitioned to WETA**

Consistent with state law, operation of the Alameda-Oakland and Harbor Bay services, previously managed by the City of Alameda, was transitioned to WETA.



Photo by Barrie Rokeach

### **South San Francisco Service Begins**

In June 2012, construction of the new South San Francisco terminal was completed and service was launched. In addition, the ferry service began operating under the new consumer-facing San Francisco Bay Ferry name.



By ROMA Design Group in association with Moffatt & Nichol and Simpson Gumpertz & Heger

### **SF Bay Ferry Introduces Clipper**

SF Bay Ferry introduced Clipper on the Alameda-Oakland and Harbor Bay routes, connecting ferry riders to the extended transit network. Clipper is central to the integration of the ferry system with the long-term vision for Bay Area transit infrastructure.

## 2013

### **Ferry Ridership Triples During BART Strike**

During BART strikes in 2013, SF Bay Ferry's ridership tripled as many Bay Area residents used the ferry system to commute to and from work. The strikes introduced many commuters to SF Bay Ferry for the first time, and increased ridership continues today.



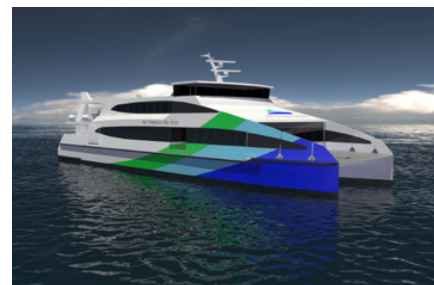
### **City of Vallejo Services Transitioned to WETA**

In June 2013, Vallejo ferry service previously managed by the City of Vallejo was transitioned to WETA. This transition included transfer of the system's vessels and terminals, as well as responsibility to carry-out the planned construction of a new maintenance and operations facility on Mare Island. This facility, as constructed, will serve as a core part of WETA's emergency response and North Bay operating infrastructure.

## 2014

### **WETA Awards \$32 Million Contract to Kvichak Marine Industries, Inc. for Two New Vessels**

In April 2014, the WETA Board of Directors awarded a \$32 million contract to Kvichak Marine Industries, Inc., of Seattle, Washington, for the design and construction of two 400-passenger, 27-knot, passenger-only ferries. The new vessels are expected to enter service by summer 2017.



Rendering courtesy Incat Crowther

### **WETA Breaks Ground at North Bay Operations and Maintenance Facility**

In May 2014, WETA began construction on the North Bay Operations and Maintenance Facility, located along the Mare Island Waterfront in Vallejo. The facility will serve as the center of the Vallejo system operations and vessel maintenance and fueling activities, and will provide a north bay emergency response center for WETA's system. The facility is scheduled to open in fall 2016.

### **WETA Implements Enhanced Service Schedules to Meet Growing Demand**

In summer 2014, WETA initiates the first of what will end up being a series of service increases in response to skyrocketing demand resulting from the booming economy.

## 2015

### Ferry Service to Richmond One Step Closer to Reality

In March 2015, the WETA Board of Directors approved a Cooperative Agreement with the Contra Costa Transportation Authority (CCTA) and the City of Richmond to provide operating subsidy for proposed Richmond ferry service. The 10-year agreement will serve as the basis of future planning efforts among the involved agencies to support and plan for Richmond ferry service.

### SF Bay Ferry Ridership Increases 79% Over 5-Day Period During BART Closure

Over the five-day BART closure in the summer of 2015, SF Bay Ferry carried 79 percent more passengers than normal compared to a similar five-day time period.



## 2016

### WETA Delivers Short-Range Transit Plan

In February 2016, WETA updated its 10-year Short-Range Transit Plan (SRTP) for FY2015-16 to FY2024-25. The Plan provides an overview of WETA's public transit ferry services and recent system performance, as well as a financially constrained 10-year projection of transit operating and capital expenses and revenues for the system.

### Ferry Ridership Peaks for Super Bowl 50

In February 2016, SF Bay Ferry enhanced its regular service for Bay Area residents traveling to and from San Francisco for Super Bowl festivities. For the nine-day period of enhanced ferry service, SF Bay Ferry ridership saw an 81 percent increase compared to a similar timeframe.



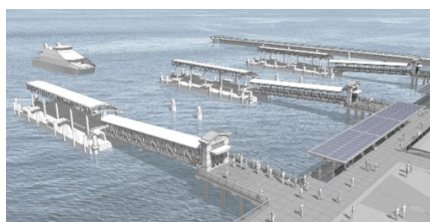
@bayferrycommuter

### WETA Approves Updated Emergency Response Plan

In March 2016, the WETA Board of Directors adopted an update to its Emergency Response Plan, which outlines WETA's roles, responsibilities and procedures for coordinating the Bay Area water transportation response in the event of a catastrophic event, such as an earthquake.

### WETA Awarded \$4 Million Grant for Downtown SF Ferry Terminal Expansion

In April 2016, WETA was awarded a \$4 million competitive grant from the Federal Transit Administration (FTA) for its Downtown San Francisco Ferry Terminal Expansion Project.



### WETA Board Approves Blue & Gold Fleet Contract Extension

In May 2016, the WETA Board of Directors approved a five-year extension of its agreement with Blue & Gold Fleet for the operation and maintenance of WETA's San Francisco Bay Ferry. Under the agreement, Blue & Gold Fleet is responsible for the daily operation and management of WETA's ferry transit system, including vessel operations and maintenance, ferry terminal operations, and fare collection.

### WETA and the City of Alameda Celebrate Opening of O'Lot

In May 2016, WETA and the City of Alameda hosted a ribbon-cutting ceremony to celebrate the opening of the new O'Club Parking Lot, a paved parking lot with 121 spaces for Alameda Main Street ferry passengers. WETA funded the needed improvements, and City staff led the construction.



### WETA Completes Strategic Plan

The WETA Board of Directors approves the 2016 Strategic Plan, which sets forth a vision, mission and priorities for the next 20 years of SF Bay Ferry service.

## 2018

### Richmond Ferry Service (Planned Launch)

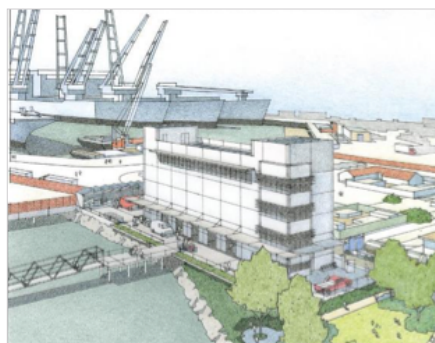
Weekday commuter service from Richmond to San Francisco was approved for funding and planning in 2015 and is scheduled to become operational by 2018 at a remodeled Richmond Ferry Terminal, in Richmond's Marina Bay District.



ci.richmond.ca.us

### Ron Cowan Central Bay Operations and Maintenance Facility (Planned Completion)

Construction of the Ron Cowan Central Bay Operations and Maintenance Facility is planned for completion in 2018. The facility will be the future home of WETA's central San Francisco Bay ferry fleet, providing a consolidated base for WETA to maintain vessels operating on its East Bay and South San Francisco ferry routes, as well as Richmond and Treasure Island services. The facility will also include an Operations Control Center for service dispatch and an Emergency Operations Center.



### San Francisco Ferry Terminal Expansion Project (Planned Completion)

The Downtown San Francisco Ferry Terminal Expansion Project will expand and improve facilities at the Downtown San Francisco Ferry Terminal. The project includes the construction of two new ferry gates, installation of amenities such as weather-protected areas for queuing, improvements to pedestrian circulation, and covering of the current "lagoon" area south of the Ferry Building for future use as a staging area for evacuees in the event of a major catastrophe.



## 2020 – 2026

### Expansion Services

A series of terminals that have recently entered into the planning and design stages will open during this time period, provided funding gaps can be closed and development activities continue forward progress. A third terminal in Alameda—at **Seaplane Lagoon** as part of the Alameda Point mixed use development—has a target opening of 2020. **Treasure Island** service is scheduled to open in 2022,



sfcta.org

assuming the current development schedule. A second destination terminal in San Francisco, in the emerging **Mission Bay** neighborhood, will open by the 2021-2022 basketball season. Terminals in **Redwood City** and **Berkeley** will open between 2022 and 2026, offering ferry service to underserved and congested corridors in the Bay Area



Rendering by Tai-Ran Tseng

## By 2035...

### Emerging Markets to South Bay and Carquinez Strait

With the increased job growth throughout the Bay Area, there is a need to explore ferry service to locations sites previously not considered viable due to excessive travel time, environmental obstacles or high costs. WETA will work with government and business stakeholders to identify opportunities to work collaboratively to develop cost-effective options for serving travelers in the South Bay and Carquinez Strait with ferries.

# Acknowledgments

## **Board of Directors**

Jody Breckenridge, Chair

Jim Wunderman, Vice Chair

Anthony Intintoli

Tim Donovan

Jeff DelBono

## **Executive Director**

Nina Rannells

## **Key Contributing Staff**

Kevin Connolly – Manager of Planning and Development

Kevin Donnelly – Operations Administrator

Michael Gougherty – Senior Planner

Chad Mason – Senior Planner

Keith Stahnke – Manager of Operations and Maintenance

Lynne Yu – Manager of Finance and Administration

Ernest Sanchez – Manager of Marketing and Public Information

Lauren Gularte – Program Manager/Analyst

## **Consultant Support**

Diana Dorinson – Founder and Principal, Transportation Analytics

## **Communications and Design**

MacKenzie Communications



# Appendix A

## 2016 Cost Estimate for WETA Expansion and Enhancement Plan

WETA staff has developed a preliminary estimate of the cost to develop the region’s ferry system as described in the Strategic Plan. The following sections lay out the total cost and net funding need in three separate areas: operating expenses, vessels and terminals. The scope, schedule, and budget for each of the projects below will evolve as projects move through the planning and development process. This Appendix will be periodically updated to capture major changes in the information presented here.

### Summary

(2016 dollars)

	Annual Operating		Vessels		Terminals	
	Committed Funding	Needed Funding	Committed Funding	Needed Funding	Committed Funding	Needed Funding
Enhancement	\$17	\$17	\$36	\$113	\$80	\$36
Expansion	\$6	\$18	\$83	\$275	\$99	\$143
Emerging	–	\$14	–	\$188	–	\$90
<b>Total</b>	<b>\$23</b>	<b>\$49</b>	<b>\$119</b>	<b>\$575</b>	<b>\$179</b>	<b>\$269</b>

All figures shown in millions of dollars

## Operating Expenses

Table A-1 below presents an estimate of annual operating expenses, broken down by service for both existing and anticipated future ferry lines. Destination terminals such as the San Francisco Ferry Building, Pier 41 and Mission Bay are not included in this table, because the cost to serve those facilities is incorporated into the origin terminal expenses. For illustrative purposes, cost estimates are presented in current 2016 dollars, even for routes that are not scheduled to begin until future years.

WETA currently recovers approximately 50 percent of its operating expenses through fare revenue. Assuming that the system is able to achieve the same farebox recovery ratio for all services going forward, this would mean that the total operating budget of \$144 million would require an operating subsidy of \$72 million. This

value represents the subsidy required for a mature route network. The first several years of each new service will be a ramp-up period that could require additional subsidy to fully cover operating expenses while ridership builds to steady-state levels.

Two services—Richmond and Treasure Island—have already received commitments for operational funding support. The MOU for Richmond calls for an operating subsidy for the first 10 years. The table below assumes an increase in Richmond service above what is currently planned for the route and extension of the service beyond the current 10-year operating funding commitment. According to the development agreement for Treasure Island, operating expenses for that route will be covered by the Treasure Island Mobility Management Association (TIMMA) on an on-going basis.

**TABLE A-1: Estimated Annual Operating Expenses – Future System (2016 dollars)**

Operating Expenses	Service Levels		Total Annual Operating Budget	Operating Subsidy Required	Funding	
	Current	Enhanced			Committed Funding	Needed Funding
Alameda/Oakland	30	15	\$20	\$10	\$5	\$5
Vallejo	40	15	\$34	\$17	\$8.5	\$8.5
Harbor Bay	60	30	\$6	\$3	\$1.5	\$1.5
South San Francisco	60	30	\$8	\$4	\$2	\$2
<b>Enhancement Subtotal</b>			<b>\$68</b>	<b>\$34</b>	<b>\$17</b>	<b>\$17</b>
Richmond		30	\$8	\$4	\$2	\$2
Treasure Island		30	\$8	\$4	\$4	\$ -
Berkeley		30	\$8	\$4	\$ -	\$4
Redwood City		30	\$12	\$6	\$ -	\$6
Hercules		30	\$12	\$6	\$ -	\$6
<b>Expansion Subtotal</b>			<b>\$48</b>	<b>\$24</b>	<b>\$6</b>	<b>\$18</b>
Carquinez Strait		30	\$14	\$7	\$ -	\$7
South Bay		30	\$14	\$7	\$ -	\$7
<b>Emerging Subtotal</b>			<b>\$28</b>	<b>\$14</b>	<b>\$ -</b>	<b>\$14</b>
<b>Total</b>			<b>\$144</b>	<b>\$72</b>	<b>\$23</b>	<b>\$49</b>

All figures shown in millions of dollars

## Vessels

A fleet of 44 vessels would be needed to deliver the full buildout of the WETA system, as envisioned in the Strategic Plan. This assumes a spare ratio—the proportion of vessels in reserve versus those in daily operations—of 50 percent. Because of the challenges and complexity of maintaining vessels in a marine environment, which requires periodic dry dock inspections and repairs as well as extensive rehabilitation periods, a higher spare ratio is needed for ferries than may be required for other transit modes such as bus or rail. See Table A-2 below for required fleet and capital costs for the future system.

WETA operates two types of vessels today: waterjet propulsion vessels for the Vallejo service and propeller propulsion vessels in the Central Bay (Oakland, Alameda, Harbor Bay, South San Francisco). In addition, a green technology (hybrid, wind assist, electric) vessel is currently being considered for Treasure Island service. Future Richmond and South Bay services would require water jet vessels due to distance and travel time goals. Berkeley vessels may be green technology or propeller propulsion. Given current and projected demand, WETA is pursuing large vessels capable of carrying 400 passengers or more.

**TABLE A-2: Required Fleet and Capital Costs – Future System (2016 dollars)**

Vessels	Current Fleet	Enhanced Fleet	New Vessels Required	Total Cost	Committed Funding	Needed Funding
Alameda/Oakland (PROP)	3	6	3	\$54	\$36	\$18
Vallejo (JET)	4.5	7	3	\$59	\$ –	\$59
Harbor Bay (PROP)	2	3	1	\$18	\$ –	\$18
South San Francisco (PROP)	2.5	3.5	1	\$18	\$ –	\$18
<b>Enhancement Subtotal</b>	<b>12</b>	<b>19.5</b>	<b>7.5</b>	<b>\$149</b>	<b>\$36</b>	<b>\$113</b>
Richmond (JET)		3	3	\$71	\$47	\$24
Treasure Island (PROP)		3	3	\$54	\$36	\$18
Berkeley (PROP)		2.5	3	\$45	\$ –	\$45
Redwood City (JET)		4	4	\$94	\$ –	\$94
Hercules (JET)		4	4	\$94	\$ –	\$94
<b>Expansion Subtotal</b>	<b>0</b>	<b>16.5</b>	<b>16.5</b>	<b>\$358</b>	<b>\$83</b>	<b>\$275</b>
Carquinez Strait (JET)		4	4	\$94	\$ –	\$94
South Bay (JET)		4	4	\$94	\$ –	\$94
<b>Emerging Subtotal</b>	<b>0</b>	<b>8</b>	<b>8</b>	<b>\$188</b>	<b>\$ –</b>	<b>\$188</b>
<b>Total</b>	<b>12</b>	<b>44</b>	<b>32</b>	<b>\$694</b>	<b>\$119</b>	<b>\$575</b>

All figures shown in millions of dollars

## Terminals

As outlined below in Table A-3, terminal expenses consist of both new terminal construction and expansion of existing terminals. Some new terminals already have a full funding plan in place. For example, the Treasure Island terminal is being funded by the team developing Treasure Island. Other new terminals require additional funding in order to move into the construction phase. Planned terminal expansions include the downtown San Francisco facility along with terminals in Alameda and Oakland.

**TABLE A-3:**  
**Capital Cost of**  
**Terminal Facilities –**  
**Future System**  
(2016 dollars)

<b>Terminals</b>	<b>Total Costs</b>	<b>Committed Funding</b>	<b>Needed Funding</b>
Downtown South Basin	\$80	\$80	\$ –
Alameda Main Street	\$18	\$ –	\$18
Oakland	\$18	\$ –	\$18
Vallejo	\$ –	\$ –	\$ –
Harbor Bay	\$ –	\$ –	\$ –
South San Francisco	\$ –	\$ –	\$ –
<b><i>Enhancement Subtotal</i></b>	<b><i>\$116</i></b>	<b><i>\$80</i></b>	<b><i>\$36</i></b>
Downtown North Basin	\$30	\$ –	\$30
Richmond	\$18	\$18	\$ –
Seaplane Lagoon	\$18	\$10	\$8
Treasure Island	\$30	\$30	\$ –
Berkeley	\$35	\$ –	\$35
Redwood City	\$30	\$15	\$15
Mission Bay	\$46	\$3	\$43
Hercules	\$35	\$23	\$12
<b><i>Expansion Subtotal</i></b>	<b><i>\$242</i></b>	<b><i>\$99</i></b>	<b><i>\$143</i></b>
Carquinez Strait	\$40	\$ –	\$40
South Bay	\$50	\$ –	\$50
<b><i>Emerging Subtotal</i></b>	<b><i>\$90</i></b>	<b><i>\$ –</i></b>	<b><i>\$90</i></b>
<b>Total</b>	<b>\$448</b>	<b>\$179</b>	<b>\$269</b>

All figures shown in millions of dollars

# Appendix B

## Description of Available Funding Sources

This appendix provides a brief overview of the funding sources that are currently or potentially accessible to WETA to fund the enhancement and expansion of the regional ferry system. This appendix will be updated in the event of significant changes to WETA's funding structure. Additional detail about capital and operating funding sources can be found in other WETA documents that are updated on a more frequent basis, such as the Short Range Transit Plan and the Annual Capital and Operating Budget.

### Federal

#### Formula Grants

The Federal Transit Administration provides formula grants to transit operators through its Section 5307 (Urbanized Area) and 5309 (Transit Capital Investment) programs. These funds are restricted to specific types of capital rehabilitation expenditures, programmed annually to WETA by MTC through the regional Transit Capital Priorities process.

The Federal Highway Administration Ferry Boat Program provides a small amount of federal grant funds annually by formula to support existing public ferry operator's capital needs.

#### Discretionary Grants

Ferry boats and facilities are eligible for FTA Passenger Ferry Grant Program funds administered by the Federal Transit Administration annually through a nationwide competitive call for projects. This program is consistently oversubscribed, so funding levels are uncertain in any given year.

### State

#### Proposition 1B

This voter-approved program sells state bonds and directs the proceeds towards a variety of transportation needs throughout California. WETA received a \$250 million state commitment through the Regional Public Waterborne Transit portion of this program to support efforts to develop and expand regional ferry emergency response capacity in the San Francisco Bay Area.

#### State Transit Assistance

State Transit Assistance (STA) funds are appropriated by the State Controller's office on a revenue and population formula basis and allocated annually to WETA through grant agreement with MTC to support transit capital and operating needs. STA funds are derived from the sales tax on fuel sold in California, and can vary considerably from year-to-year based on changes in oil prices and the overall economy.

#### Low Carbon Transit Operations Program

The Low Carbon Transit Operating Program (LCTOP) is a part of the State's Greenhouse Gas Reduction Fund that provides assistance for transit projects that reduce greenhouse gas emissions and improve mobility. Revenues are generated from a specified portion of cap-and-trade auction proceeds, and then allocated to operators based on the State Transit Assistance (STA) Revenue-Based formula. These funds can be used to support new or expanded transit services, or expanded intermodal facilities and equipment, fueling and maintenance for those facilities. WETA will need to identify expenditures that qualify as a GHG reducing projects in order to be eligible for reimbursement from LCTOP. In addition, action by the state legislature may be required to extend this program beyond 2020.

### Regional & Local

#### Regional Measure 1

In 1988, Bay Area voters approved Regional Measure 1 (RM1), authorizing a \$1.00 toll increase for all seven state-owned Bay Area toll bridges. WETA receives multiple funding allocations from the toll revenues, to support both operating and capital needs. The funding amounts do not escalate over time to keep pace with inflationary increases in costs.

#### Regional Measure 2

In 2004, voters passed Regional Measure 2 (RM2), raising the toll on the seven state-owned toll bridges in the San Francisco Bay Area by an additional \$1.00. WETA has been allocated fixed amounts to support specific capital projects and operating expenses to maintain, enhance and expand the existing ferry system. The funding amounts do not escalate over time to keep pace with inflationary increases in costs.

### **Assembly Bill 664**

Assembly Bill 664 funds are also related to Bay Bridge tolling. They are programmed annually by MTC to provide partial local match to Federal Section 5307 and 5337 formula grant funds for capital projects serving the Bay Bridge transbay corridor. WETA has received funding in the past and will continue to pursue this source for upcoming projects which may be eligible.

### **Transit Performance Initiative (TPI) Incentive Program**

The Transit Performance Initiative (TPI) Incentive Program is a relatively new program that provides a financial reward to those Bay Area transit agencies that improve their ridership and productivity. MTC has designated a portion of federal monies from the regional Surface Transportation Program (STP)/ Congestion Mitigation Air Quality Improvement Program (CMAQ) funds to the TPI Incentive Program and developed criteria and formulas for distribution on a periodic basis. WETA must identify capital and operating expenditures that would otherwise be eligible for STIP/CMAQ monies in order to seek reimbursement from MTC under this program.

### **Alameda County Measure B / Measure BB**

In 2000, Alameda County voters approved Measure B, the half-cent transportation sales tax and an accompanying 20-year expenditure plan. Then in 2014, Alameda County voters passed Measure BB, a 30-year Transportation Expenditure Plan which extends the existing 0.5 % Measure B sales tax beyond its original sunset date, and augments the tax by 0.5%. Alameda CTC administers Measure B funds to deliver transportation improvements and services in Alameda County and to address congestion in major commute corridors. WETA receives annual allocations to support a portion of its operating and capital needs. Measure BB will expire in 2045 without voter renewal.

### **San Francisco Proposition K**

San Francisco Proposition K (Prop K) is a half-cent local sales tax for transportation that was approved by San Francisco voters in November 2003. The City and County of San Francisco programs funding to eligible projects identified in its 5 Year Prioritization Programs (5YPPs), which are updated every four years.

### **Contra Costa Measure J**

In 2004, Contra Costa voters approved Measure J, which extended the half-cent local transportation sales tax first established by Measure C in 1988 for another 25 years, in order to provide funding for continued and new transportation projects in the county. WETA has received allocations from these funds for both operating and capital purposes, primarily to support new service in Richmond, per an MOU between WETA and the Contra Costa Transportation Authority (CCTA).

### **San Mateo Measure A**

In 2004, San Mateo County voters approved an extension of the existing Measure A transportation sales tax measure to provide funding for continued and new transportation projects in the county. The revised expenditure program included capital funds to support development of new ferry services to South San Francisco and Redwood City. A portion of the approved funding has already been used to construct the South San Francisco terminal. WETA will work with the San Mateo County Transportation Authority, South San Francisco and Redwood City to identify any future projects that would be an appropriate use for the remainder of the voter-approved funds.

### **Local Property Taxes & Assessments**

In the past WETA has received minor allocations of funding from various local entities to support a portion of capital and operating costs of ferry service to specific Bay Area communities. Examples include municipal property taxes from the City of Alameda and special district assessments from the Harbor Bay Business Park. Community-level funding support is often critical in accelerating small-scale projects and closing funding gaps so that larger projects can move into implementation.

### **Future Regional & Local Programs**

In the years ahead, WETA anticipates that new funding programs will be crafted to help provide revenues to support the continued improvement of the Bay Area's regional transportation system. Programs that have been suggested in the past include a third bridge toll augmentation, a regional gas tax, and new county-level transportation sales taxes. Where appropriate, WETA will advocate for a portion of these new programs to support enhancement and expansion of ferry transit operations.







MEMORANDUM

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**TO:** Board Members

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

**SUBJECT:** Approve Non-Competitive Negotiated Contracts with Vigor Kvichak LLC and Aurora Marine Design for the Construction of Two 400-Passenger Vessels

**Recommendation**

Approve the following actions associated with the purchase of two new 400-passenger, 26-knot passenger vessels procured through a non-competitive negotiated contract method:

1. Approve a contract with Vigor Kvichak LLC for design-build construction of two 400-passenger vessels in an amount up to \$29,930,000;
2. Approve a contract with Aurora Marine Design for construction management services associated with these vessels in the amount of \$500,000;
3. Authorize the Executive Director to execute these agreements and take any other such actions as may be necessary to support this work; and
4. Add the *Purchase of Two New 400-Passenger Vessels* project to the FY 2016/17 Capital Budget at a total project cost of \$33,400,000.

**Discussion**

Overall ridership on the WETA system has increased 72 percent between 2012 and 2016, topping two million passengers in the prior fiscal year. The rapid increase in ridership has caused crowding and strained capacity on the most popular trips, resulting in leave-behinds and travel disruption for ferry passengers. Projections for continued economic growth in the Bay Area suggest that recent positive trends in ferry ridership will continue.

Several service adjustments have been made in recent years to address the rising passenger demand, stretching WETA's regular and spare vessel fleet to its maximum. This has provided passengers with the increased service that they need and desire but has also accelerated operating hours on vessels resulting in an increase in trip cancellations due the unavailability of vessels when mechanical issues arise on multiple vessels concurrently. While the upcoming arrival of the new vessels MV *Hydrus* (January 2017) and MV *Cetus* (May 2017) will provide much needed relief for the fleet, additional vessels are needed now to replenish our spare capacity (currently two out of eleven) and support our ability to deliver consistent, quality service to our customers and prepare for future growth.

Staff has explored a variety of options for securing additional vessel capacity, such as extending the life of existing vessels close to retirement and utilizing a traditional RFP, and has determined that the most expeditious and cost-effective method to secure vessels is to add on to the current boat build contract with Vigor Kvichak LLC (Vigor) through non-competitive negotiated contract awards for vessel construction and Aurora Marine Design (AMD) for construction management.

With the current vessel production underway, design and engineering is already complete, Aurora construction managers are already on site, and construction could start almost immediately for additional vessels. Vessels added to the current build cycle can be delivered 16 and 24 months from contract award, which is a full year before we could reasonably expect to see vessels if we were to utilize a traditional Request for Proposal Process due to the unavailability of new engines that would meet new Environmental Protection Agency (EPA) standards effective in 2017. These vessels will meet the new 2017 EPA emission standards through the use of selective catalytic reduction after-treatment technology. See **Attachment A** for a full discussion on the California Air Resources Board (CARB) and EPA standards and their impacts on vessel operation and construction.

Adding to the current vessel construction cycle is the best path forward to have new, clean vessels delivered in an expeditious manner to meet current ridership demand and spare vessel needs and support WETA's ability to efficiently maintain fleet vessels and ensure safe and reliable operations. This will also help ensure that we are properly positioned to support planned system expansions to Richmond, Seaplane Lagoon and Mission Bay.

#### **Non-Competitive Purchase Justification**

Consistent with WETA Administrative code Chapter 5, Article II 502.2, Non-Competitive Purchases are allowed when the Board otherwise determines that award of a contract pursuant to competitive procedures identified in Chapter 5 is either infeasible or would not produce an advantage, noting that determination shall be supported by written justification.

Staff has determined that due to the limited pool of qualified shipyards that have bid on prior WETA vessel construction projects and the unique opportunity given new EPA requirements to gain cost and time efficiencies by adding on to the vessel production underway already at Vigor, award of a contract pursuant to competitive procedures would not provide an advantage in either price or time of delivery for this project.

The procurement of two additional vessels from Vigor represents a low risk, low cost, proven solution which capitalizes on the research, design, engineering, testing, regulatory approvals and production planning developed for the two vessels currently in production. VK's team of fabricators, vendors and subcontractors are in position to leverage the knowledge and production tooling currently in place to begin construction of new vessels immediately. This efficiency results in an accelerated delivery schedule that would be unachievable in a competitive procurement.

Purchasing additional vessels from Vigor is the only path that ensures total commonality in the critical propulsion and emissions machinery which would be otherwise unattainable. The commonality of identical vessels improves the lifecycle cost for all vessels of the same class, maximizing the maintenance efficiency, while greatly reducing the spare parts inventory. Training requirements for Captains and crews are also greatly reduced, resulting in cost savings and increased safety.

Vigor's cost proposal for the additional vessels has been independently evaluated using data from the current procurement and was found to be fair and reasonable.

Utilization of AMD for construction management of these two additional vessels makes logical business sense as they are already on site and fully engaged, managing the construction of the first two vessels, and can easily add oversight of two more vessels to their work scope. They

are intimately familiar with the vessel design and with the VK process and operation. AMD's cost proposal for construction oversight of the additional vessels is extremely economical (approximately 1/3 the normal cost) due to the overlap of the new vessels with the vessel construction currently underway.

The overall budget for the project, including the recommended contract awards contained in this item would be as follows:

<b>Items</b>	<b>Cost</b>
Vessel Cost:	
Vessel #1	\$14,775,000
Vessel #2	14,425,000
Contingency Allowance (2.5%)	730,000
<b>Sub-Total: Shipyard Contract</b>	<b>\$29,930,000</b>
Estimated Use Tax Due	\$2,770,000
Construction Management Services	500,000
WETA Project Administration	110,000
General Project Expenses	90,000
<b>Total : Project Budget</b>	<b>\$33,400,000</b>

Staff estimates that WETA will save over \$3 million on this procurement due to the economies of scale achieved by adding on to a current construction run, the commonality of system equipment and spares, and the use of a construction management firm already on-site.

**Fiscal Impact**

The *Purchase of Two New 400-Passenger Vessels* project is not currently included in the Capital Budget. This item would add the project to the FY 2016/17 Capital Budget at a total cost of \$33,400,000, funded with programmed State Proposition 1B grant funds (Prop 1B) for new vessels and Regional Measure 1- 5% toll revenues.

\*\*\*END\*\*

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## Attachment A

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### **SUBJECT: WETA Ferry Vessel Propulsion Engines**

#### **New Ferry Vessel Propulsion System Regulations**

The Environmental Protection Agency (EPA) federal regulations apply to new engines and new construction vessels. Increasingly stringent emission standards have been phased in over the last ten years.

We are currently in a unique situation regarding engine availability for the vessels that comprise the WETA fleet. Engine manufacturers have been unable to produce regulatory compliant engines in the required size ranges to meet the mandated timelines. The first compliant engines will not be available until 2018. This delay is already affecting the delivery dates of the recently ordered North Bay vessels that are scheduled for delivery in December 2018, June 2019 and December 2019 – approximately one year later than anticipated and desired. This will require us to run the *MV Vallejo* beyond its useful life and will delay our ability to initiate new Richmond service. Due to the unavailability of compliant engines, a worldwide backlog of orders is expected to develop. This backlog could increase the impact to delivery schedules for all new vessels ordered between now and 2018.

The EPA phase-in dates for main propulsion engines affect each class of WETA vessels differently. The higher output engines utilized in the North Bay vessels already meet the new EPA requirements, while the Central Bay vessels currently under construction are still at the prior EPA requirements. Moving forward with the proposed sole source procurement would allow us to build two needed vessels with engines that currently exist, and meet EPA requirements in place for engines built through December 31, 2016; avoiding the 12-18 month delay that is anticipated for all new vessel builds moving forward. This can be done while still honoring EPA's new January 1, 2017 Tier 4 emission reduction requirements due to WETA's high standards and long-standing commitment to building vessels utilizing the best available technology to reduce emissions.

#### **WETA Commitment to Advanced Technology and Reduction of Emissions**

All phases of WETA's new vessel design and construction utilize "Best Available Technologies". These efficiencies lower the vessels' environmental impact by reducing fuel consumption and emissions. The optimization of hull form and reduction of weight decreases the wakes of the vessel as well as harmful effects on sensitive shorelines and wildlife. Each on-board system and component is selected to support the "Green Mission" of the vessel; this includes the use of sustainable materials and ultra-high energy efficiency equipment to the maximum extent possible.

WETA specifications for the Central Bay Vessels, which would be utilized under this award, also require advanced propulsion systems that can achieve emissions reductions that exceed current EPA requirements. This custom-engineered solution utilizes EPA-compliant engines and a selective catalytic reduction after-treatment. Full scale testing completed in January shows that the emissions on the initial vessels in this build cycle are believed to be lower than any currently-operating passenger ferry in the U.S. of similar speed and capacity. The system will reduce an estimated 10 tons of nitrogen oxides (NOx), particulate matter (PM) and carbon monoxide (CO) emissions annually through the use of selective catalytic reduction and diesel oxidation catalyst technologies. The emissions tests were conducted and verified independently by InfoWedge and the University of California at Riverside Center for Environmental Research

and Technology. These lower emission levels exceed EPA's current requirements and meet upcoming emissions thresholds.

**Existing Ferry Vessel Propulsion System Regulations.**

California Air Resources Board (CARB) regulations apply to existing commercial vessels operating in California. CARB rules for Harbor Craft phase-out older engines based on date of manufacture. The majority of the WETA fleet vessels were built with or repowered with newer engines, and meet the CARB Harbor Craft requirements. Three WETA vessels with older engines will require action to meet the state regulations.

WETA staff met on September 8 with the CARB to clarify regulations affecting the WETA fleet.

The following three vessels must be retired or repowered prior to the dates listed:

- *MV Vallejo* - Due to the age of the vessel and the technical challenges of repowering with compliant engines, the recommendation is to retire the vessel. CARB will require this vessel to be removed from service at the end of 2018.
- *MV Encinal* - Due to the age and condition of the vessel, the recommendation is to retire the vessel. CARB will require this vessel to be removed from service at the end of 2019
- *MV Solano* - WETA will repower this vessel with a CARB-compliant propulsion system during its scheduled mid-life overhaul. The vessel must be taken out of service no later than the end of June 2019. To complete the repower work, extensive vessel modifications will be required in addition to the normal work scope of the mid-life refurbishment, the *MV Solano* will be out of service for the majority of FY 2019/20, with the project expected to take 10 to 12 months to complete.

**Summary**

With the current Central Bay Vessel production run, WETA has an option of using EPA and CARB-compliant engines before the next phase-in date. For the additional order vessels, the deadline for the engines to be in production is December 31, 2016. To support this timeline, the engine orders must occur in early October.

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

**RESOLUTION NO. 2016-30**

**APPROVE NON-COMPETITIVE NEGOTIATED CONTRACTS WITH VIGOR KVICHAK LLC AND AURORA MARINE DESIGN FOR CONSTRUCTION OF TWO 400-PASSENGER VESSELS AND AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE THE AGREEMENTS**

**WHEREAS**, the San Francisco Bay Area Water Emergency Transportation Authority (WETA) has identified the immediate need for two additional ferry vessels; and,

**WHEREAS**, the WETA has determined that procurement of two additional vessels from Vigor Kvichak LLC (Vigor) through a non-competitive negotiated contract represents a low risk, low cost, proven solution that results in an accelerated delivery schedule that would be unachievable in a competitive procurement ; and

**WHEREAS**, the WETA has determined that utilization of Aurora Marine Design (AMD) for construction management services associated with this new vessel construction will result in cost and work efficiencies given their current engagement with WETA in oversight of similar vessels currently under construction at Vigor; and

**WHEREAS**, the Authority has determined that these procurements meet the requirements for non-competitive negotiated procurement under WETA's Administrative Code, Chapter 5, Article II, Section 502.2(L); and

**WHEREAS**, the Authority has conducted a cost analysis of the Vigor cost proposal for the construction of two new 400-passenger vessels and found the proposal to be fair and reasonable; and

**WHEREAS**, the WETA has conducted a review of the price proposal from AMD for construction management services and found it to be fair and reasonable; and

**WHEREAS**, the WETA has identified Vigor and AMD to both be qualified and responsible in the provision of services; now, therefore, be it

**RESOLVED**, that the Board of Director hereby approves entering into an agreement with Vigor for the construction of two new 400-passenger vessels in an amount not to exceed \$29,930,000; and be it further

**RESOLVED**, that the Board of Directors hereby approves entering into an agreement with Aurora for construction management services required to oversee the construction of two new 400-passenger vessels in the amount of \$500,000; and be it further

**RESOLVED**, that the Board of Directors authorizes the Executive Director to negotiate and execute the agreements and take any other related actions to support this work; and be it further

**RESOLVED**, that the Board of Directors authorizes a budget amendment to add the Purchase of Two New 400-Passenger Vessels into the FY 2016/17 Capital Budget in the amount of \$33,400,000 to support full funding of this project.

## CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on October 6, 2016.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary

2016-30

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



MEMORANDUM

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**TO:** Board Members

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

**SUBJECT:** Authorize Filing an Application with the Metropolitan Transportation Commission for FY 2016/17 Regional Measure 1 Funds

**Recommendation**

Approve the following actions relative to securing funds to support the *Purchase of Two New 400-Passenger Vessels*:

1. Authorize the Executive Director to file an application with the Metropolitan Transportation Commission (MTC) for a total of \$4.5 million FY 2016/17 Regional Measure 1 - 5% State General Fund Revenues (RM1 - 5%); and
2. Authorize the Executive Director to take any other related actions as may be required to secure these funds.

**Background / Discussion**

In November 1989, voters approved Regional Measure 1 (RM1), authorizing a toll increase on all state-owned bridges in the Bay Area. Five percent of the revenue derived from this toll increase was made available for allocation by MTC for ferry transit operations and bicycle related planning. Senate Bill 976 stipulates that all RM1 funds for ferries are to be allocated to WETA as of January 1, 2008 in order to support operation of our regional ferry system.

MTC programs \$3.0 million RM1 – 5% funds annually to WETA to support ferry capital improvement projects and ferry operations. The balance of RM1 – 5% funds not allocated and spent in a given year are held by MTC and rolled forward for use by WETA the following fiscal year. Sufficient banked RM1 – 5% funds exist to support this allocation request.

**Fiscal Impact**

This item supports securing RM1 – 5% funds for the *Purchase of Two New 400-Passenger Vessels* project in the FY 2016/17 Capital Budget as proposed.

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

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

**RESOLUTION NO. 2016-31**

**AUTHORIZE FILING AN APPLICATION WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR FY 2016/17 REGIONAL MEASURE 1 - 5% UNRESTRICTED STATE FUNDS**

**WHEREAS**, Bay Area voters approved Regional Measure 1 (RM1) in November 1988, which authorized a standard auto toll of \$1.00 for all seven State-owned Bay Area toll bridges; and

**WHEREAS**, up to three-percent (3%) of the revenue derived from the toll increase was made available for allocation by Metropolitan Transportation Commission (MTC) to transportation projects that reduce congestion in the bridge corridors; and

**WHEREAS**, the law was amended in 1997 to direct MTC to allocate an additional 2% of the RM1 toll increase solely for planning, construction, operation, and acquisition of a rapid water transit system; and

**WHEREAS**, the law was further amended in 2007 to name the San Francisco Bay Area Water Emergency Transportation Authority (WETA) as the eligible recipient of these funds; and

**WHEREAS**, as operator of the Alameda/Oakland (AOFS), Alameda Harbor Bay (AHBF), and Vallejo ferry services, WETA is eligible to receive annual allocation of RM1 Bridge Toll Revenue funds; and

**WHEREAS**, staff has identified the need to utilize these funds to support WETA's purchase of two new vessels; now, therefore, be it

**RESOLVED**, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of WETA to deliver such project; and be it further

**RESOLVED**, that WETA agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and be it further

**RESOLVED**, that WETA's Board of Directors hereby approves the application and authorizes its Executive Director, or her designee, to execute and submit an allocation request with MTC for FY 2016/17 Regional Measure 1- 5% Unrestricted State Funds and to enter into all agreements necessary to secure these funds; and be it further

**RESOLVED**, that a copy of this resolution shall be transmitted to MTC in conjunction with the filing of WETA's applications referenced herein.

**CERTIFICATION**

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on October 6, 2016.

YEA:

NAY:

ABSTAIN:

ABSENT:

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/s/ Board Secretary

2016-31

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

MEMORANDUM

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**TO:** Board Members

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

**SUBJECT:** Consider Proposal for Vallejo Ferry Service Enhancements and Deletion of Scheduled Route 200 Service Beginning January 2017

**Recommendation**

Release the draft proposal to enhance Vallejo ferry service and delete scheduled Route 200 service for public and stakeholder review and comment.

**Background**

As a part of the Vallejo Ferry Service (Ferry Service) transition to WETA in June 2013, WETA entered into an agreement with the Solano County Transit Agency (SolTrans) for the provision of Route 200 bus service and on demand backup services necessary to maintain the Ferry Service as historically operated by the City of Vallejo. SolTrans currently operates scheduled Route 200 express bus service between Vallejo and San Francisco. Backup bus service – needed when vessels experience mechanical breakdowns or demand exceeds capacity of scheduled ferry service – was once operated by SolTrans but has gradually transitioned to private contract operators over the past two years as SolTrans has been increasingly unable to offer this service when needed. Operating expenses for both scheduled and backup bus service are covered by WETA.

At its May 2016 meeting, the SolTrans Board considered a recommendation by staff to extend the operating contract for scheduled Route 200 service through the end of calendar year 2016 but to then transition responsibility for operating the service directly to WETA. The SolTrans staff recommendation was based on the difficulties experienced by the SolTrans contract operator in reliably providing scheduled Route 200 service and the need to imminently replace the three coach-style vehicles used for the service. The SolTrans Board extended the operating contract but did not take action on transitioning the service. Instead, the SolTrans Board asked that staff from SolTrans, WETA and the Solano Transportation Authority (STA) work collaboratively to develop a service plan that addressed SolTrans staff concerns and the need to provide reliable transit service for Solano County residents.

This memorandum presents WETA's proposal to enhance ferry service in Vallejo, eliminating the need for scheduled Route 200 service while also addressing recent strong demand for increased ferry service.

Provided the WETA Board accepts the staff recommendation, the proposal will be released to the public and agency stakeholders for review and comment. After comment has been received, staff will return to the Board for adoption of the final ferry service plan in November, with the goal of implementing the new service in January 2017.

**Discussion**

Scheduled Route 200 SolTrans bus service as a companion to the ferry serves two purposes: first, as a means of backup when scheduled ferry departures reach boarding limits or when vessels are experiencing anticipated outages due to maintenance or mechanical issues. As a result, Route 200 service is scheduled to depart during peak periods shortly after the most popular trips. Second, Route 200 service helps to “fill gaps” in the schedule. Reverse commute, midday and late evening scheduled Route 200 service offers Vallejo riders an option that would not be cost effective to provide by ferry boat. Backup bus service – needed when vessels are down due to unanticipated breakdowns – is currently provided by separate contract operators and is not affected by this proposal.

Despite a recent increase over the past year, ridership on scheduled Route 200 service is on a long-term decline. This trend coincides with the enhancements implemented by WETA in Vallejo ferry service. Table 1.0 below presents average daily boardings on weekday Route 200 service for the summer 2016 period, the highest ridership period of the year. As the data indicates, many of these trips are less than half full. The Route 200 coach has a seated capacity of 57 passengers. The exceptions are morning departures at 6:00 and 8:45 a.m. and 2:30 and 6:30 p.m. departures from the ferry building. Passenger feedback indicates that the ferry schedule is frequent enough and that traffic has become so severe leaving San Francisco in the evening that commuters choose to wait for a ferry rather than take a scheduled bus trip.

**Table 1.0**  
Scheduled Route 200 Average Daily Ridership  
June – August, 2016

To San Francisco		To Vallejo	
Departure	Avg. Boardings	Departure	Avg. Boardings
6:00 AM	47	7:35 AM	4
8:45 AM	37	9:55 AM	6
1:00 PM	16	2:30 PM	36
3:00 PM	5	4:00 PM	18
9:30 PM	3	4:45 PM	15
		6:30 PM	30
		10:30 PM	20

**Proposal**

Based on ridership trends and the need to address concerns raised by SolTrans staff regarding the present Route 200 service contract and the long term viability of Route 200 service, WETA proposes to enhance ferry service beginning in January 2017 while deleting scheduled Route 200 bus service. Ferry enhancements will include three new departures from Vallejo and two from San Francisco. Ferry service will replace high ridership bus departures to offer passengers a capacity and travel time improvement. Finally, adjustments to the ferry schedule will also help to fill in schedule gaps, allowing for all-day ferry service between Vallejo and San Francisco.

Table 2.0 presents the proposed ferry enhancements side-by-side with the proposed deletions of Route 200 trips. The proposed schedule provides ferry service at roughly 30 minute intervals through the morning and evening peak periods. It also introduces ferry service during the midday period, with a 12 p.m. departure to San Francisco, and a 2:30 p.m. trip to Vallejo. While gaps still exist, they have been reduced to just one period during the day.

WETA staff will work collaboratively with SolTrans and the Solano Transportation Authority to assist in any planning needed to consider offering express bus service from Solano County to the Transbay terminal in San Francisco. Such a service can fill an area of need for North Bay travelers and be compatible with ferry service.

**Table 2.0**

**2017 Proposed Enhanced Ferry/Replaced Route 200 Service**  
Departures from Vallejo, Proposed

Ferry	Route 200	Notes
5:30 AM		
6:00 AM	<del>6:00 AM</del>	Ferry replaces bus
6:30 AM		
7:00 AM		
7:45 AM		
8:30 AM		Schedule adjustment from 8 AM
	<del>8:45 AM</del>	
9:30 AM		
10:30 AM		
12:00 PM		New ferry trip
Gap: 2 hrs		
	<del>1:00 PM</del>	
2:00 PM		
3:00 PM	<del>3:00 PM</del>	Ferry replaces bus
4:00 PM		
4:45 PM		
5:45 PM		
6:45 PM		
	9:30 PM	

**2017 Proposed Enhanced Ferry/Replaced Route 200 Service**  
Departures from San Francisco, Proposed

Ferry	Route 200	Notes
6:35 AM		
7:15 AM	<del>7:35 AM</del>	Ferry replaces bus
8:15 AM		
9:00 AM		New ferry trip
	<del>9:55 AM</del>	
10:40 AM		
11:40 AM		
Gap: 3 hrs		
2:30 PM	<del>2:30 PM</del>	Ferry replaces bus
3:30 PM		
	<del>4:00 PM</del>	
4:30 PM		
	<del>4:45 PM</del>	
5:15 PM		
5:30 PM		
6:00 PM		
	<del>6:30 PM</del>	
7:15 PM		
8:15 PM		
	<del>10:30 PM</del>	Replaced by late Route 80 service

6:00 AM New Ferry Trip  
~~7:35 AM~~ Deleted Trip

The proposed ferry service enhancement is estimated to cost \$970,000 in operating dollars on an annual basis. This increase would be offset with \$716,000 in funds currently utilized to fund Route 200 operation, resulting in a net increased service operating cost of \$254,000. Sufficient RM1 and RM2 ferry operating funds are available to support this change.

If the Board adopts the staff proposal, public involvement activities will immediately begin with targeted outreach to ferry and Route 200 riders along with direct communication with Solano County partners SolTrans and the Solano Transportation Authority. Staff proposes to return to the WETA Board in November for final adoption of a proposed enhancement plan incorporating the input and feedback of the general public, transit riders and ferry stakeholders. Provided a new plan is adopted, the new service will go into effect starting in January 2017.

Table 3.0 presents a proposed schedule for outreach and implementation of an enhanced Vallejo ferry service for 2017.

**Table 3.0**  
Route 200 Service + Ferry Service Enhancement Service Change

No.	Action	Date
1	Ferry Service Enhancement & Route 200 Service Change Proposal WETA Board Action	October 6, 2016
2	Outreach, Notice to Riders	October – November 2016
3	WETA Board Action, Adoption of Service Enhancement	November 10, 2016
4	Notice of Route 200 Change	November-December 2016
5	Route Service Change	January 1, 2017

**Fiscal Impact**

There is no fiscal impact associated with this item at this time. In the event that the proposed service changes are ultimately approved, the FY 2016/17 operating costs are estimated to increase \$127,000 to support service changes from January 1, 2017 through June 30, 2017. Sufficient funds are available in the FY 2016/17 Operating Budget to cover this additional cost.

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

MEMORANDUM

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**TO:** Board Members

**FROM:** Nina Rannells, Executive Director  
Chad Mason, Senior Planner

**SUBJECT:** Richmond Ferry Terminal Project Update

**Recommendation**

There is no action requested of the Board with this informational item.

**Discussion**

The Richmond Ferry Terminal project would establish a new ferry route between the existing San Francisco Ferry Terminal and a new ferry terminal on the Ford Peninsula in the City of Richmond. The design includes plans for replacement of an existing facility and landside improvements including public access and parking lot expansion. The WETA Board adopted a Funding Agreement and Memorandum of Understanding with the Contra Costa Transportation Authority at its March 2015 meeting that funds the operation for a minimum period of 10 years.

Staff has developed a plan that would allow WETA to start construction of the project in 2017 and open the new facilities for use as early as 2018. The plan includes the following actions and activities.

2016
Release Design Build Construction Services Request for Proposals (RFP)
Execute Project Labor Agreement
Execute Lease with City of Richmond
Finalize Project Permits (RWQCB, BCDC, USACOE)
2017
Award Contract for Design Build Construction Services
Groundbreaking Ceremony/Start Construction

Staff will provide a project update and overview of the upcoming activities, as outlined in the above schedule, at the Board Meeting.

**Fiscal Impact**

There is no fiscal impact associated with this informational item.

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