

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(November 6, 2008)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the WETA offices at Pier 9, San Francisco, CA.

1. ROLL CALL AND CALL TO ORDER

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

2. REPORT OF BOARD CHAIR

Chair Johnson reported that Gemini, WETA's first ferry, would be delivered in the next month and that there would be a number of festivities following the arrival. She also noted that several staff and board members would be visiting the boatyard next weekend.

3. REPORT OF DIRECTORS

None.

4. REPORTS OF STAFF

Executive Director Jon Stanley noted that staff members Mary Culnane and Keith Stahnke were in Seattle at the Nichols Boatyard observing builder's trials for *Gemini*. He noted that as expected there had been some issues discovered but that that was the purpose of the trials. He stated that he was looking forward to seeing Gemini first hand and to thank WETA's partners at Nichols and Kvichak.

Mr. Stanley reported that a Community Advisory Committee meeting had been held on October 29 and noted the attendance of Chair Johnson and Vice Chair Intintoli. Items discussed included status reports on vessel construction, the South San Francisco and Berkeley/Albany terminal projects, the Transition Plan and the Emergency Plan. The upcoming vessel launch celebration activities had been previewed and Mr. Stanley added that later in the meeting Manager of Community Relations Shirley Douglas would report on planning for these activities.

Regarding the Transition Plan, Mr. Stanley noted that WETA had held another core team meeting and completed the task of articulating the principles and objectives to be adhered to in development of the plan. He added that WETA had also begun the process of addressing the details associated with assumption of the existing services and planned a series of working group meetings to continue to identify and address those issues. Additionally, a meeting would be held in Vallejo to meet with city staff and Lennar with respect to the proposed North Bay ferry maintenance facility.

Mr. Stanley also noted that WETA had published the draft EIR/EIS for the Berkeley/Albany ferry terminal project and that he, Ms. Douglas and Manager of Planning and Development John Sindzinski had attended a productive meeting with Berkeley Mayor Tom Bates and Berkeley City Councilmember Laurie Capitelli to review the impacts of the terminal sites studied in the

draft EIR. The public hearing to receive comments on the draft EIR was scheduled for November 18 in Berkeley and details on the meeting were included in the Berkeley/Albany newsletter. Mr. Stanley also reminded the board that the January meeting would be held in Berkeley with more details to follow in December.

Director Johnson asked if any board members should attend the public comment hearing. Mr. Sindzinski explained that the purpose of the meeting was to receive comments only and that there would be a court transcriber present to record the entire hearing. He stated that he hoped that the meeting would result in narrowing down the sites under consideration for the board to approve later but that board member attendance was not required. Ms. Douglas added that meeting notices had been placed in local media and Mr. Sindzinski indicated that he expected significant attendance at the meeting. Chair Johnson and Director Johnson agreed that board members should attend and the date of the meeting was noted.

Mr. Stanley reported that he and Deputy Director of Finance and Administration Nina Rannells had held a meeting with the San Mateo County Transit Authority (SMTA) regarding timely receipt of Measure A sales tax revenue to support terminal construction in South San Francisco. At the meeting the SMTA indicated that they may have developed a cashflow plan that provides the \$15M allocation to WETA over the period of construction as opposed to over the life of the Measure. WETA will continue to work with SMTA staff, BCDC and with the City of South San Francisco to put the required approvals in place by the end of the year.

Additionally, Mr. Stanley stated that Mr. Sindzinski's efforts had resulted in the Port of San Francisco agreeing to proceed jointly with WETA on an MOU to develop an EIR addressing the potential construction of additional docks near the San Francisco Ferry Building. He noted that these docks are critical to WETA's service capabilities in the event of an emergency as well as to support service expansion in the years ahead. Mr. Stanley stated that he expected to come back to the board soon with a request to proceed with the MOU.

5. REPORTS OF STAFF

Ms. Douglas reported on the status of events planned to celebrate the arrival of Gemini and noted that sponsors had committed approximately \$40,000 to support the events. She said that she was also working on narrowing down event dates with Barry Broad and Peter Freidman which would work around congressional calendars for dignitaries to attend. She asked that the board hold December 12 free as a target date for the celebrations. Ms. Douglas added that the current event plan included a press conference followed by a ride around the bay on Gemini, an open house aboard the vessel at the Ferry Building, and a WETA holiday party with Gemini docked at Pier 41.

6. CONSENT CALENDAR

Director Johnson made a motion to approve the consent calendar which included the minutes from the October 2, 2008 Board of Directors meeting and the approval of travel by the directors to Nichols Brothers. Director Intintoli seconded the motion and the item carried unanimously.

7. PROPOSED CONTRA COSTA COUNTY MEASURE J SALES TAX FUND SWAP TO SUPPORT MARINA BAY PARKWAY GRADE SEPARATION PROJECT

Ms. Rannells presented this item regarding a proposed Measure J fund swap to support City of Richmond's implementation of the Marina Bay Parkway Grade Separation project. This project would support access to the future ferry terminal. She noted that approval would result in WETA deferral of up to \$11.2 million Measure J operating funds programmed to support Richmond and/or Hercules ferry operations for the first seven years of the sales tax measure, but that

these funds would be returned to WETA in an inflated revenue stream over the remaining years of the sales tax measure. She noted that there would be no immediate financial impact to WETA associated with the action since Richmond and Hercules ferry services are currently in the early planning stages. Ms. Rannells noted that Christina Atienza of WCCTAC, Alan Wolken from the Richmond Redevelopment Agency and Lisa Hammond from City of Hercules were in attendance and would be glad to answer any questions from the board.

Vice Chair Intintoli asked if there was a concern regarding diverting these funds into capital and not getting it back as operating funds. Ms. Rannells replied that when it came back to WETA it would be for operating purposes and that these funds will be guaranteed to WETA in the out-years of the sales tax program. Chair Johnson asked if there was any danger in the swap. Ms. Rannells replied that, given the lack of capital funds to construct these projects, there is no real danger that operating funds would be needed earlier than they will be returned.. Vice Chair Intintoli asked how long the tax measure was for or if it would need to be renewed. Ms. Rannells responded that it was for 25 years.

Director Johnson asked if this action would require a vote by another entity and if the agreement was firm or would also need to be approved by a future action. Ms. Rannells responded that it would require action by a number of agencies, as outlined in the memorandum, and that several of the involved agencies have already taken action to support the swap..

Public Comment:

Christina Atienza, Executive Director of WCCTAC, responded to Director Johnson's inquiry, stating that WCCTAC had approved the agreement that morning. She further noted that their Board action, resolution and agreement commits WCCTAC to repay the funds over the remaining 18 years of the measure.

Public Comment:

Alan Wolken of the Richmond Redevelopment Agency further clarified that one of the reasons that this swap can occur is that Measure J includes a \$15 million Richmond Parkway project funds that are programmed in the out-years of the sales tax. These funds will be used to pay back the ferry operating commitment in the future. He noted that the Richmond City Council had already approved this fund swap.

Chair Johnson noted that it was a complex arrangement. Director Bellows asked if without the swap if the funding would otherwise go unused. Ms. Rannells responded that that was correct and that the swap would leverage otherwise unused funds to maximize the benefit to future ferry services.

Director Johnson said that the swap would make sense as long as WETA was confident that there was no risk that any of the parties involved would reallocate the funds to other projects. Ms. Rannells said that since Measure J specifically allocated these funds to ferry related projects that she was confident that there would not be any issues. Chair Johnson asked if possible city bankruptcies could affect the deal in any way. Ms. Rannells said that she believed that since the Transportation Authority would collect the Measure J tax regardless of any potential bankruptcy that the funding should remain secure. WETA counsel Danielle Gensch of Nossaman agreed that it would be a very unusual circumstance where an entity that is solely established to fund something would go bankrupt because they can only spend what they have.

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

8. ISSUANCE OF THE REQUEST FOR PROPOSALS FOR PIER 9 LAYOVER BERTH CONSTRUCTION CONTRACT

Mr. Stanley presented this item regarding approval to release a Request for Proposals for the Pier 9 Layover Berth construction contract. He reported that the project design was at 35% and had been approved by the Water Quality Board and Army Corps and that there was one remaining BCDC issue that he anticipates would be worked out soon. Release of the RFP in December would allow selection of a contractor in January 2009 put WETA on track for meeting a completion goal of July 2009. Chair Johnson asked if an EIR was needed. Mr. Sindzinski replied that it had already been done.

Director Bellows made a motion to approve the item. Director Johnson seconded the motion and the item carried unanimously.

9. AWARD OF CONTRACT FOR EMERGENCY WATER TRANSPORTATION SYSTEM MANAGEMENT PLAN CONSULTANT AND AUTHORIZE RELATED GRANT AGREEMENT WITH CITY AND COUNTY OF SAN FRANCISCO

Mr. Stanley presented this item regarding the selection of URS as WETA's consultant to develop the Emergency Water Transportation System Management Plan and to enter into a grant agreement with The City and County of San Francisco as fiscal agent for SUASI. He noted that four bids had been submitted and that the evaluation panel had selected URS.

Director Bellows asked if the companies listed in the Board memo in parenthesis were subcontractors to URS. Mr. Stanley clarified that they were.

Director Bellows made a motion to approve the item. Director Johnson seconded the motion and the item carried unanimously.

10. FY 2008/09 PROPOSITION 1B FUNDING PROGRAM PROCESS

Ms. Rannells presented this informational item reviewing the history and status of Prop 1B funding to WETA and staff's priorities for allocating the funds to core facility and system expansion projects. Ms. Rannells noted some of the specific projects and added that several had been partially funded last year that may be fully funded this year, and that staff would be returning to the board at the December meeting with a specific funding proposal.

Public Comment:

Veronica Sanchez of Masters, Mates and Pilots asked if any of the projects could be delivered in a short timeframe (such as movable docking facilities) that would not be caught up in extensive environmental permitting processes. Ms. Rannells responded that movable floats were included in the first round of funding that may support that concept, and that the Emergency Plan would help define whether or not such floats would require landside improvements. Ms. Sanchez said that the agency's credibility was at stake if no short term projects were completed. Ms. Rannells said that the next round of funding was a little ahead of where WETA actually is, as the Emergency Response Plan would be developed in the next nine months and that would clarify spending priorities including those for potential short term projects.

Mr. Stanley added that WETA Operations Manager Keith Stahnke was recalibrating how to consider a movable float project since even temporary docking would need to be tied down somehow and would need to meet some landside requirements. Chair Johnson observed that this was an interesting project and a good thing to be pushing along.

11. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 1:55 p.m. Upon reopening of the meeting at 2:45 p.m. she reported that direction had been given to the negotiator in respect to the South San Francisco lease agreement and authorized a lease amendment consistent with those instructions. No other action had been taken.

12. ADJOURNMENT

All business having concluded, the meeting was adjourned at 2:45 p.m.

Respectfully Submitted,

Board Secretary
