

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(June 18, 2009)

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, Suite 111, San Francisco, CA.

1. ROLL CALL AND CALL TO ORDER

Chair Charlene Haught Johnson called the meeting to order at 1:10 p.m. Directors present were Chair Johnson, Vice Chair Anthony Intintoli, Director Gerald Bellows, Director Beverly Johnson and Director John O'Rourke. Director Bellows led the Pledge of Allegiance.

2. REPORT OF BOARD CHAIR

Chair Johnson reported on the debut of Pisces in service to Harbor Bay on June 8. She said that she enjoyed talking to the crew and passengers and that all were impressed with the speed and amenities of the vessel.

Chair Johnson also noted the addition of item 4.5 to the agenda regarding the South San Francisco terminal. WETA counsel Stanley Taylor of Nossaman, LLP noted that the urgency item was procedural and not substantive.

3. REPORT OF DIRECTORS

None.

4. REPORTS OF STAFF

Executive Director Nina Rannells noted that the South San Francisco project continued to move ahead. She reported that the San Mateo County Harbor District had approved the lease agreement and that the South San Francisco City Council would be approving the lease later that day.

4.5 APPROVAL OF RELEASE OF INVITATION FOR BID FOR SOUTH SAN FRANCISCO DEMOLITION AND DREDGING PROJECT

Ms. Rannells noted that with the lease in place, the South San Francisco terminal project would be able to move ahead. She introduced the urgency item 4.5 regarding issuing an IFB for the demolition and dredging work required before terminal construction could begin. She noted that the work must be done within a limited time frame in order to maintain the project schedule.

Mr. Taylor stated that per the WETA Administrative Code, items over \$100,000 required board approval. He said that although the item had been approved by the board at the December meeting, the board had requested that the item be brought back with additional details. He noted it was added as an urgent item because the demolition and dredging work needed to be completed before November 30 and that the comments from the Department of Boating and Waterways that allowed the lease to move forward had not been received until after the meeting had been agendized.

Vice Chair Intintoli made a motion to add item 4.5 to the agenda. Director Johnson seconded the motion and the addition of the item carried unanimously.

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

Public Comment

Marina Secchitano of IBU asked for clarification of the date by which the work would need to be completed. Manager of Planning and Development John Sindzinski said that work had to be out of the water no later than November 30.

5. REPORTS OF STAFF

Chair Johnson introduced Barry Broad of Broad & Gusman in Sacramento who offered a State Legislative Report. He noted passage in the State Assembly of AB 1203, sponsored by Fiona Ma, which would allow for direct payment of Proposition 1B funds to WETA instead of the current system of payment in arrears. He said that the bill would soon be in the State Senate and he anticipated easy passage. He noted that Metrolink in Los Angeles had made overtures to attach themselves to the bill, but that that may not be desirable to WETA due to Metrolink's recent publicity due to a fatal train derailment. He said that if Metrolink pursued this direction, he would notify WETA before moving ahead.

Mr. Broad proceeded with an overview of the state budget situation. He noted that \$50 million had been appropriated to WETA and that WETA should not be affected by the current state budget negotiations. Regarding the impacts to other agencies, he noted that Boating and Waterways may be eliminated and rolled into the DMV but that BCDC would survive the budget cuts. He also noted that a new coastal commission for the Bay Delta may be established that he felt could potentially impact WETA regarding environmental concerns in the region.

Vice Chair Intintoli asked for clarification on how WETA's funds could be considered safe in the current fiscal environment. Mr. Broad replied that the funds had already been appropriated and could be spent. Ms. Rannells added that there would be \$50 million in play for the first two years in the budget. Vice Chair Intintoli asked if they might go back and change the appropriation and Mr. Broad replied that it was extraordinarily unlikely.

Vice Chair Intintoli noted that cities can form coalitions to take a combined agenda to Sacramento or DC, and asked if WETA could similarly coordinate with cities on joint agendas. Mr. Broad said that this was already being done with cities that have an interest in WETA's plans. Ms. Rannells added that national transit groups such as APTA serve a similar purpose and that as WETA transitioned into becoming an operator it would become more engaged with the agendas of such groups.

6. CONSENT CALENDAR

Vice Chair Intintoli made a motion to approve the minutes from the June 4, 2009 Board of Directors meeting with an amendment requested by Crystal Odum Ford. Director Bellows seconded the motion and the item carried unanimously.

7. ADOPTION OF FINAL TRANSITION PLAN

Ms. Rannells presented this item to adopt WETA's Final Transition Plan. She reviewed the background of the plan, noting that it was developed over several months with the assistance of consultants and significant input from City of Alameda, City of Vallejo and Metropolitan Transportation Commission staffs. She reminded the board that a Draft Transition Plan had

been published on April 2, followed by a 45 day public comment period and three public hearings held in San Francisco, Alameda and Vallejo. She added that the plan was also presented and discussed with a number of stakeholder organizations during the comment period, including WETA's Community Advisory Committee, San Mateo Transit Advocates, and the Alameda and Vallejo City Councils.

Ms. Rannells stated that at the June 4 meeting of the board, staff had presented a memorandum outlining the public comments and proposed changes to be made to the final plan. She said that the plan presented in this item incorporated these changes and represented the recommended plan for adoption by the Board of Directors.

Vice Chair Intintoli noted that on the last page of the Transition Plan project schedule, item 30 should be corrected to a start date of July 2010 for Vallejo service. Ms. Rannells said that the typo would be corrected.

Vice Chair Intintoli added that he felt that the plan was good. Director Bellows followed up on a discussion from the prior meeting regarding a concern over liabilities that WETA may inherit from the cities. Ms. Rannells responded that any liabilities that arise during discussions and negotiations with the cities during the transition would be brought before the Board.

Director Johnson asked if the plan was sufficiently broad to maintain flexibility over costs and services. Ms. Rannells replied that it was and that service levels would be reviewed as needed. Director Johnson noted that she understood that the cities want assurances regarding service levels but that as an operator WETA needed to be realistic. Ms. Rannells agreed, noting WETA's commitment to the service as well as the need to maintain flexibility.

Vice Chair Intintoli made a motion to adopt the Final Transition Plan. Director O'Rourke seconded the motion and the item carried unanimously.

8. ADOPTION OF FINAL EMERGENCY WATER TRANSPORTATION SYSTEM MANAGEMENT PLAN

Ms. Rannells presented this item to adopt WETA's Final Emergency Water Transportation System Management Plan(EWTSMP). She reported that WETA developed the EWTSMP over a nine month period with the assistance of consultants and the input of two stakeholder groups consisting of emergency response and transportation agencies. She reminded the board that WETA published a draft of the EWTSMP on April 2, followed by a 45 day public comment period and three public hearings held in the cities of San Francisco, Vallejo and Alameda. She added that the plan was also presented and discussed with a number of stakeholder organizations during the public comment period, including WETA's Community Advisory Committee, the San Mateo County Transit Advocates, and the Vallejo and Alameda City Councils.

Ms. Rannells reviewed the memorandum outlining stakeholder and public comments on the EWTSMP plan and proposed changes to be made to the final plan at the June 4 board meeting. She stated that the plan presented for adoption in this item incorporated these changes and represented the recommended final plan for adoption by the Board of Directors.

Vice Chair Intintoli made a motion to adopt the Final Water Emergency Transportation Authority Emergency Water Transportation System Management Plan. Director Bellows seconded the motion and the item carried unanimously.

9. AUTHORIZE FILING AN APPLICATION WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR \$1.5 MILLION FY 2009/10 REGIONAL MEASURE 2 OPERATING FUNDS

Ms. Rannells presented this item to authorize the filing of an application with the Metropolitan Transportation Commission (MTC) for \$1.5 million to support various operating activities in FY 2009/10, including funds for vessel operations, the transition, marketing and emergency response activities, and to authorize the Executive Director to execute the associated agreements.

Director Bellows asked if this amount would leave sufficient funding for emergency response activities. Ms. Rannells said that this was a sufficient start for WETA as it currently exists, but that additional funds and activities could be required once WETA assumes the responsibilities of existing city operations. WETA will have the opportunity to revise and adjust its budget and associated funding requests when it transitions to take over Alameda's ferry services.

Vice Chair Intintoli asked if WETA would coordinate marketing activities with the cities. Ms. Rannells responded that coordination was already underway, with Vallejo in particular.

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

10. AUTHORIZE THE METROPOLITAN TRANSPORTATION COMMISSION TO DIRECTLY ALLOCATE FY 2009/10 REGIONAL MEASURE 1 AND REGIONAL MEASURE 2 FUNDS TO THE CITIES OF ALAMEDA AND VALLEJO

Ms. Rannells presented this item regarding a request to authorize MTC to directly allocate FY 2009/10 Regional Measure 1 and Regional Measure 2 funds historically available to the cities of Alameda and Vallejo to support ferry services.

Director Johnson said that these funds should be monitored by WETA over the course of the transition. Ms. Rannells said that they would be monitored as budget items.

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

11. AUTHORIZE THE METROPOLITAN TRANSPORTATION COMMISSION TO ALLOCATE AN ADDITIONAL \$2 MILLION REGIONAL MEASURE 2 FUNDS TO SUPPORT FY 2009/10 VALLEJO FERRY OPERATIONS

Ms. Rannells presented this item to authorize MTC to allocate an additional \$2 million Regional Measure 2 funds to support FY 2009/10 Vallejo Ferry operations. She reviewed the history of using these funds to support Vallejo services in FY 2008/09, noting that WETA supported MTC allocation of an additional \$1.9 million of these RM2 funds to support a revised Baylink budget and an operating plan to address sharp ridership decreases experienced beginning in June 2008 with the initiation of a 20% fare increase, and that Vallejo's plan allowed for a partial roll-back of the June fare increase and deferred proposed service reductions in an effort to stabilize Baylink's services and gain back the ridership lost in the preceding months.

Ms. Rannells noted that further to Director Johnson's earlier comment about flexibility and sustainability of service that it would be important for WETA to develop a balanced program of services as an operator, but that WETA's ability to access these additional Regional Measure 2 funds to support the Vallejo ferry operation at the current time provides an opportunity for Baylink to maintain services at existing levels during the transition.

Vice Chair Intintoli noted that Vallejo might not use all of the funds, but if they are not requested then they are lost to both Vallejo and WETA per MTC's Regional Measure 2 policies. He added the Vallejo only used \$800,000 of the prior year's request of \$1.9 million. Ms. Rannells acknowledged Vice Chair Intintoli's comments and re-iterated the importance in working to secure access to as much Regional Measure 2 funds per year as possible to support the many responsibilities bestowed on WETA.

Director O'Rourke suggested that WETA should consider buying fuel futures to be prepared for price fluctuations. Director Johnson asked how Blue & Gold bought their fuel and if it would be possible to store greater amounts to protect against price increases. Operations Manager Keith Stahnke said that the limiting factor was the current lack of fuel storage facilities, and that Blue & Gold needed to purchase fuel as many as three times a week during the summer months.

Public Comment

Crystal Odum Ford, Transportation Superintendent, City of Vallejo, thanked WETA for its consideration. She said that she looked forward to a continued partnership with WETA and to working with MTC on allocating the full request. She added that she looked forward to continuing talks with WETA as well as the City of Alameda regarding sustainability of ferry service.

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

12. AUTHORIZE FILING AN APPLICATION FOR FTA SECTION 5307 AND 5309 FIXED GUIDEWAY FUNDING TO SUPPORT ALAMEDA FERRY SYSTEM CAPITAL PROJECTS FOR FY 2009/10 - 2011/12

Ms. Rannells presented this item to authorize the filing an application for fiscal years 2009/10, 2010/11, and 2011/12 Federal Transit Administration Sections 5307 and 5309 funding to support various projects associated with the Alameda ferry system.

Ms. Rannells noted that the City of Alameda had not previously received these funds for their ferry services as they were not an eligible recipient of FTA funds, but that MTC had agreed to allow WETA to submit a program of potential Alameda projects into the TCP process. She added that this program would serve as a place-holder for future federal funds to support Alameda system needs until WETA and the City of Alameda complete the transition process.

Vice Chair Intintoli asked what the source of local matching funds was. Ms. Rannells replied that it would likely be a mix of Regional Measure 1, Alameda sales tax funds for ferries, and AB 664 local match funds available through MTC. Director Johnson noted that Alameda was not currently eligible for these federal funds and was looking forward to this change.

Public Comment

Marina Secchitano of IBU asked if these funds could be used to support Port of San Francisco ferry facilities. Ms. Rannells replied that it was possible that some of the floats that needed rehabilitation could be funded but that further discussions with the Port and MTC would be required to determine eligibility..

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

13. PUBLIC COMMENT

Bruce Lockey, Berkeley resident and ferry advocate, said that he wanted to see catamarans each and every way on the bay, in San Francisco, Hercules, Richmond, Antioch and Martinez, but probably not in Petaluma. He suggested the formation of a “Friends of WETA” committee.

14. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 2:35 p.m. Upon reopening of the meeting at 3:05 p.m. she reported that no action had been taken.

14. ADJOURNMENT

All business having concluded, the meeting was adjourned at 3:06 p.m.

Respectfully Submitted,

Board Secretary
