

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(October 1, 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 1:05 p.m. Directors present were Chair Johnson, Vice Chair Anthony Intintoli, Director Gerald Bellows and Director John O'Rourke. Director Beverly Johnson arrived at 1:10 p.m. Director Bellows led the Pledge of Allegiance.

2. REPORT OF BOARD CHAIR

Chair Johnson reported that Congresswoman Jackie Speier had secured \$3 million in federal grant funding from the Department of Transportation which would allow the South San Francisco ferry terminal project to proceed. Following her report, she asked Vice Chair Intintoli to chair the remainder of the meeting.

3. REPORT OF DIRECTORS

None.

4. REPORTS OF STAFF

Executive Director Nina Rannells reported on the Fast Ferry Information conference she attended in London on September 23 and 24. She noted that the conference attendees consisted of a small group of operators who share many common challenges. She said that her presentation on the WETA vessels was well received and that many operators were interested in current developments in the Bay Area.

Ms. Rannells elaborated on the \$3 Million funding announced by Chair Johnson, stating that WETA's Washington representative Peter Friedmann of Lindsay, Hart, Neil & Weigler had said it was thanks to the collaborative efforts of Congresswoman Speier along with House Speaker Nancy Pelosi, Congresswoman Barbara Lee, and labor unions that the grant funding had been secured. Ms. Rannells added that WETA also received a \$475,000 earmark to support the Berkeley terminal project. She then noted Congresswoman Speier would be a guest at the upcoming October 19 groundbreaking ceremony for the South San Francisco terminal at Oyster Point.

Regarding the prevailing wage issue, Ms. Rannells stated that the Department of Industrial Relations had indicated that they would be issuing their final rate letter within the next week and that staff would use this information to assess the potential impact of a prevailing wage policy.

Ms. Rannells noted that Shirley Douglas' retirement would be delayed until after the October 19 groundbreaking event. She introduced Ms. Douglas' replacement, Leamon Abrams, who had most recently been with the Starbucks Coffee Company as the Director of Civic and Community Affairs. She noted that Mr. Abrams has a long work history in community relations-related work, including, but not limited to serving in the Mayor's Office of Economic Development under Mayor Willie Brown and working as a Public Affairs Manager at Bechtel where he worked on a number of transit related projects for agencies such as BART, MUNI and Caltrans.

Ms. Rannells then discussed the status of the transition with the City of Alameda, suggesting that due to the magnitude of the project and after consultation with WETA Counsel Stanley Taylor of Nossaman LLP that a transition date of July 1, 2010 would be more in line with reality than the originally planned January 1 transition date. She said that transition details would be worked out by the end of the current year but anticipated that agreements would not be finalized until March. She also noted that a transition coinciding with the change of fiscal year would be beneficial to all parties.

Chair Johnson asked if a date change may apply to Vallejo as well. Director Rannells replied that that was possible as the Vallejo transition would be shifted out six months as well to January 1, 2011.

Director Johnson asked if there would be any benefit to WETA assuming operation of the service prior to the final transition, and expressed a concern that the transition may be moving forward too slowly and asked if there was some way that WETA could take responsibility for the operation prior to transfer of the system assets. Mr. Taylor noted that as the operations are under contract, this might be possible, and that this option could be looked at further. Ms. Rannells noted the concern and assured the Board that WETA will continued to move the transition work forward.

5. CONSENT CALENDAR

Chair Johnson made a motion to approve the minutes from the September 3 and September 17, 2009 Board of Directors meetings. Director O'Rourke seconded the motion and the item carried unanimously.

6. STATUS REPORT ON THE BERKELEY FERRY TERMINAL PROJECT

Manager of Planning and Development John Sindzinski delivered a presentation on the status of the Berkeley ferry terminal project.

Director Johnson suggested that the use permit for the site would be the most challenging to obtain and expressed concern that if WETA went ahead with environmental work and was denied the use permit that it could be fatal to the project. Mr. Sindzinski responded that waiting for the use permit would considerably slow down the environmental work, and that an action by the City to approve the project would help move the use permit forward. Director Johnson asked that these issues be resolved as soon as possible. Mr. Sindzinski also noted that at this point it would still be several years before final design stage for the terminal would be reached.

Chair Johnson noted with approval that some progress had been made on issues with other users of the marina including windsurfers and asked what issues remained. Mr. Sindzinski said that there continued to be some issues regarding parking with HS Lordship's but that as the property was owned by the City of Berkeley, future discussion regarding parking would take place directly with city staff. Ms. Rannells noted that the city would take the lead in any issues with HS Lordship's.

Director Johnson said that she appreciated the valet parking solution and had seen several instances where this had worked well.

Chair Johnson asked what was still required regarding funding for the terminal. Ms. Rannells answered that the project was not yet fully funded, and that like many other projects would be dependent upon the resolution of state funding issues regarding Prop 1B.

Vice Chair Intintoli reminded staff to make sure that all permitting issues are covered as the project continues to move forward.

Public Comment:

Veronica Sanchez of Masters, Mates and Pilots thanked WETA for its work on moving terminal projects forward and made an offer of assistance.

Ms. Douglas said that any public support at the Berkeley City Council meeting on November 17 would be appreciated.

Ms. Sanchez asked Mr. Sindzinski if the breakwater in Berkeley would require federal authorization. Mr. Sindzinski said that this would depend on whether WETA or the Army Corps of Engineers would build it and that this had not yet been determined.

Director Johnson asked specifically how the item would appear on the Berkeley Council meeting agenda. Mr. Sindzinski said that it would be an approval from the city in support of the project and that the exact language was currently being worked on.

7. APPROVAL OF AWARD TO THE M-LINE FOR MARKETING SERVICES

Ms. Douglas presented this item regarding approval of a contract to create a marketing plan for the WETA. She reviewed the selection process and recommended approval of a consultant services contract to The M-Line. Representatives from The M-Line and partners BMWL were in attendance to answer questions.

Director Johnson asked if the branding strategy in the marketing plan would address the name WETA would operate under. Ms. Douglas said that it could.

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

8. APPROVAL OF VESSEL UTILIZATION PLAN AND AGREEMENTS

Ms. Rannells presented this item regarding the Spare Vessel Utilization Plan. She noted that in consideration of the imminent arrival of *Scorpio* and its increased capacity that the WETA vessels could be more effectively utilized by modifying the bareboat charter agreements to assign each vessel to the most appropriate service. She noted that the funds to support the WETA vessel fleet costs were included in the 2009/10 budget.

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

9. APPROVAL OF CHANGE ORDER FOR SOUTH SAN FRANCISCO VESSEL CONTRACT

Operations Manager Keith Stahnke presented this item for approval of a change order in the amount of \$300,000 for the construction of two South San Francisco vessels. He noted that the change order would cover an unanticipated increase in California State sales and use tax as well as delivery of the vessel to San Francisco and contingency funds. He also noted that the change order was within the overall project budget.

Director Johnson added that the sales and use tax was currently an issue for all transit agencies.

Director O'Rourke asked for a list of what contingency funding might be used for. Mr. Stahnke noted that obtaining spare parts were a priority. Ms. Rannells noted that with four nearly identical boats, having spares of key parts would be essential to maintaining the fleet effectively and that a more complete list could be brought back to the board at a later date.

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

10. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 2:12 p.m. Upon reopening of the meeting at 3:00 p.m. she reported that no action had been taken.

11. ADJOURNMENT

All business having concluded, the meeting was adjourned at 3:00 p.m.

Respectfully Submitted,

Board Secretary
