

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(April 1, 2010)

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. Other directors present were Vice Chair Anthony Intintoli, Director Gerald Bellows, Director Beverly Johnson and Director John O'Rourke. Director O'Rourke led the Pledge of Allegiance.

2. REPORT OF BOARD CHAIR

Chair Johnson thanked the City of Vallejo and staff for hosting the March board meeting in Vallejo. She noted the importance of seeing the ferry maintenance and terminal facilities and noted her appreciation to all involved.

Chair Johnson then noted that the WETA Community Advisory Committee had met after a long hiatus. She noted that the group was engaged and ready to assist in helping move projects forward, and that meetings would be held more frequently in the future.

Chair Johnson also reported that she and Nina Rannells had met with City of Hercules to discuss the status of their project.

3. REPORT OF DIRECTORS

Director Bellows reported that he updated the acting director of the Maritime Administration, who had recently addressed MARAD staff in Suisun Bay, on the WETA's activities.

4. REPORTS OF STAFF

Executive Director Nina Rannells referred the Board to the Executive Director Report included in the Board packet and updated the Board directly on several items.

Ms. Rannells reported that the WETA was moving forward on the service transition with both Alameda and Vallejo staff. Regarding Alameda, Ms. Rannells noted a redesigned approach where WETA would negotiate landing rights rather than lease facilities. She said that a draft of terms would be ready within the next few months and that the actual transition could take place as early as September 2010. She added that the Vallejo transition would follow and ideally it would be timed to coincide with the consolidation of Vallejo Transit and Benicia bus services.

Vice Chair Intintoli noted that the JPA between the Solano Transportation Authority and Mayor of Benicia had suggested that it would be easier to transfer services at the same time their bus services are consolidated.

Ms. Rannells updated the Board on the status of the WETA vessels, noting that *Taurus* was undergoing acceptance trials in the next week and that WETA Operations Manager Keith Stahnke would attend. She noted that emissions testing had been completed successfully and that everything was on schedule for delivery within the next month.

Ms. Rannells then introduced WETA Public Affairs Manager Leamon Abrams, who updated the Board on plans for the May 17 christening event for *Taurus*. He advised the Board that the event would begin at 10:00 a.m. with guest speakers, followed by the christening and free rides for the public on *Taurus* until 3:00 p.m. He noted that the Monday schedule would accommodate the possible attendance of federal elected officials and that the Port of Oakland was engaged with the event.

Ms. Rannells also noted that proposals had been received in response to the South San Francisco Terminal Pier Structures as well as the Gangway and Float RFPs, and that all had been within proposed budgets. She noted that a cash flow issue with Proposition 1B funds remained but that discussions had been reinstated with MTC regarding a loan scenario to fund construction and that she may return to the Board with a proposal in May or June.

Regarding Proposition 1B funds, Ms. Rannells said that discussions with Cal EMA continued. She noted that she and Vice Chair Intintoli had gone to Sacramento to meet with State Senator Mark DeSaulnier, accompanied by WETA representative Barry Broad. Ms. Rannells indicated that Senator DeSaulnier's support, along with letters from various stakeholders, may help to speed up CalEMA payments due to WETA for projects funded with proceeds from April 2009 and November 2009 bond sales. She added that in the meantime, WETA would continue to pursue the possibility of loans from MTC to keep the South San Francisco project moving forward.

Ms. Rannells reported that she and Chair Johnson had met with City of Redwood City staff regarding moving forward on the Redwood City EIR, noting that the city may advance funds to cover continued work.

Director Johnson noted concern with development controversy near the Redwood City terminal site and suggested that WETA be cautious of becoming unintentionally involved.

Manager of Planning and Development John Sindzinski added that the WTA IOP did not presume or support any specific new development in the area.

Ms. Rannells then noted that WETA's Washington, DC representative Peter Friedmann of Lindsay, Hart, Neil & Weigler LLP, had asked her to represent WETA at Ferry Coalition meetings in Washington during the week of April 21. She said that the objective of the lobbying mission was to increase the Federal Ferryboat Discretionary Fund from \$65 to \$200 million in the upcoming reauthorization bill.

Ms. Rannells concluded by introducing Mr. Keith Stahnke, Operations Manager, who discussed WETA's involvement in the up-coming transportation emergency response exercise to be conducted by MTC on May 18 in parallel with a larger Golden Guardian exercise.

Public Comment

Veronica Sanchez of Masters, Mates and Pilots asked for clarification on the timeframe for service transitions from Alameda and Vallejo.

Ms. Rannells said that if the negotiations continued to move forward that the transitions could be complete by January 2011. She noted that a final draft agreement with Alameda could be ready within the next few months. Regarding Vallejo, Ms. Rannells noted the resignation of Transportation

Manager Crystal Odum Ford could result in even less staff resources at the City of Vallejo to support the transition work and even more delay. She added that one concept under discussion is to hire Marty Robbins, a consultant to the City of Vallejo who manages the Baylink ferry system, to assist with the transition work.

5. CONSENT CALENDAR

Vice Chair Intintoli made a motion to approve the minutes from the March 4, 2010 Board of Directors meeting. Director O'Rourke seconded the motion and the item carried unanimously.

6. APPROVE CONTRACT AWARD FOR CONSTRUCTION MANAGEMENT SERVICES FOR THE PIER 9 BERTHING FACILITY PROJECT TO C2PM PROGRAM & CONSTRUCTION MANAGERS

Mr. Sindzinski presented this item requesting that the Board approve a contract award for construction management services for the Pier 9 Berthing Facility Project to C2PM Program & Construction Managers and authorize the Executive Director to negotiate and execute an agreement in an amount not to exceed \$175,000. He reviewed the project background and noted that it was included in the FY 2009/10 Capital Budget.

Director O'Rourke made a motion to approve the item. Director Bellows seconded the motion and the item carried unanimously.

7. APPROVE CONTRACT AWARD FOR INSURANCE BROKERAGE AND RISK MANAGEMENT CONSULTING SERVICES TO WELLS FARGO INSURANCE SERVICES USA, INC

Manager of Administration & Business Services Melanie Jann presented this item to request that the Board approve a contract award to Wells Fargo Insurance Services for insurance brokerage and risk management consulting services and authorize the Executive Director to negotiate and execute an agreement in an amount not to exceed \$125,000.

Vice Chair Intintoli asked if staff anticipated that this amount would be required on a per year basis. Ms. Jann noted that the contract amount was for a five year term.

Ms. Rannells added that she anticipated costs would be higher in the first year and then taper off, due to the quantity of initial questions that would come up during the course of the service transition. She also noted that these services would be more cost effective for insurance issues than resorting to Nossaman LLP. Mr. Stahnke added that Wells Fargo was well-versed in maritime insurance issues.

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

8. AUTHORIZE RELEASE OF A REQUEST FOR QUALIFICATIONS (RFQ) FOR ON-CALL MARINE ENGINEERING SERVICES

Mr. Stahnke presented this item requesting Board authorization to release an RFQ for On-Call Marine Engineering Consulting Services to support WETA vessels and marine facilities, noting that the WETA no longer had a staff engineer. He added that there would be no fiscal impact associated with issuing the RFQ.

Director Bellows asked if it had been determined that this would be more cost effective than hiring a staff engineer. Mr. Stahnke said that he believed it would be and that even with a staff engineer it would still be necessary to contract additional engineering services.

Ms. Rannells added that WETA would continue to assess the need for an on staff marine engineer and would bring one in-house if circumstances required.

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

9. OAKLAND WATERFRONT-UPTOWN SHUTTLE BUS PROJECT UPDATE

Mr. Sindzinski presented an informational item regarding a new Oakland free shuttle service between Jack London Square and the Uptown district, scheduled to begin service in June 2010. He noted a request from Councilmember Rebecca Kaplan that WETA make a \$300,000 annual funding commitment to the shuttle project.

Mr. Sindzinski said that after careful consideration, staff had determined that the shuttle would provide very few benefits to ferry riders due to the route configuration and the hours of operation. He noted that financial support for the project may make sense in the future once ferry service from Oakland to South San Francisco is running or if it can be demonstrated that the shuttle bus improves access to the Oakland terminal in a significant way.

He noted that this was an information item but if the Board determined that WETA should contribute funding to the shuttle project that staff would recommend a contribution of \$10,000 if the City of Oakland presented WETA with a marketing opportunity that would be appropriate for WETA.

Ms. Rannells added that the shuttle service as proposed was set up as a downtown circulator and would not act as an effective ferry feeder. She said that viewing the service as a marketing opportunity appeared to be the most appropriate way for WETA to contribute to the project.

10. OVERVIEW OF WETA EMPLOYEE BENEFITS

Ms. Rannells presented this informational item regarding employee benefits as requested by the Board in January. She reviewed the history of employee status under the Water Transit Authority first under contract with Local Government Services and later through direct agreement with WTA. She noted that those employee agreements were carried over to WETA as a part of the agency transition. Ms. Rannells then reviewed the benefits as outlined in the attachment to the Board item.

Director Johnson asked for more specifics regarding retirement benefits and qualifying dependents in retirement, and if there was a cap on the amount. Ms. Rannells said that for an employee with less than ten years at WETA, the medical retirement is set at the state minimum rate as defined by PEMCA law..

Director Johnson asked if after 10 years medical would be fully covered and if there wasn't a cap on the dollar amount, saying that in the future it could be any number. Ms. Rannells said that they had not done comparisons on this item but that the benefit is limited to employees only and is tied to a CalPERS plan rate. Director Johnson said that the current trend for cities now was to define a specific amount.

Director O'Rourke said he would like to look at the participants, how many were near 10 years of service. He also said he would like to see improvements in the dental benefits.

Ms. Rannells addressed these concerns, noting specifically the item approved by the Board at the January meeting regarding prefunding these benefits to meet GASB requirements. She noted that WETA was aware of the need to prepare for these expenses and had taken action to position itself to cover them.

Director Intintoli iterated the need to prepare and noted that the prefunding was an example of how to approach the situation correctly. He added that many cities had struggled with this issue. He advised that WETA continue to be cautious should the number of employees grow in the future.

11. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 2:05 p.m. Upon reopening of the meeting at 3:10 p.m. she reported that no action had been taken.

12. ADJOURNMENT

All business having concluded, the meeting was adjourned at 3:10 p.m.

Respectfully Submitted,

Board Secretary
