



Members of the Board

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Gerald Bellows
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**MEETING AGENDA FOR THE
WETA BOARD OF DIRECTORS**

Thursday, May 6, 2010 at 1:00 P.M.

**San Francisco Bay Area
Water Emergency Transportation Authority
Nine Pier, Suite 111
San Francisco**

The full agenda packet is available for download at www.watertransit.org.

AGENDA

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.

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.

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| 1. <u>CALL TO ORDER – BOARD CHAIR</u> | Information |
| 2. <u>ROLL CALL/PLEDGE OF ALLEGIANCE</u> | Information |
| 3. <u>REPORT OF BOARD CHAIR</u> | Information |
| 4. <u>REPORTS OF DIRECTORS</u> | Information |
| 5. <u>REPORTS OF STAFF</u> | Information |
| a. Executive Director's Report | |
| b. Legislative Update | |

Water Emergency Transportation Authority
May 6, 2010 Meeting of the Board of Directors

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| 6. <u>CONSENT CALENDAR</u> | Action |
| a. Minutes April 1, 2010 | |
| b. Authorize Update of Signature Authority for Local Agency Investment Fund (LAIF) Account | |
| 7. <u>AWARD OF TERMINAL AND VIEWING TERRACE CONSTRUCTION CONTRACT FOR THE SOUTH SAN FRANCISCO FERRY TERMINAL</u> | Resolution |
| 8. <u>AWARD OF FLOAT AND GANGWAY CONSTRUCTION CONTRACT FOR THE SOUTH SAN FRANCISCO FERRY TERMINAL</u> | Resolution |
| 9. <u>AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACTS WITH GHIRARDELLI ASSOCIATES</u> | Resolution |
| 10. <u>AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACTS WITH ROMA DESIGN FOR SOUTH SAN FRANCISCO FERRY TERMINAL CONSTRUCTION SUPPORT SERVICES</u> | Resolution |
| 11. <u>APPROVE FISCAL YEAR 2010/11 BUDGET</u> | Action |
| 12. <u>AUTHORIZE FILING APPLICATIONS WITH THE METROPOLITAN TRANSPORTATION COMMISSION FOR \$4.95 MILLION FY 2010/11 REGIONAL MEASURE 2 OPERATING FUNDS</u> | Resolution |
| 13. <u>APPROVE AMENDMENT NO. 9 TO THE AGREEMENT WITH THE ASSOCIATION OF BAY AREA GOVERNMENTS FOR THE PROVISION OF ACCOUNTING SUPPORT SERVICES</u> | Resolution |
| 14. <u>APPROVE AMENDMENT NO. 13 TO THE AGREEMENT WITH NOSSAMAN, LLP FOR THE PROVISION OF LEGAL SERVICES</u> | Resolution |
| 15. <u>APPROVE AMENDMENT NO. 9 TO THE AGREEMENT WITH LINDSAY, HART, NEIL & WEIGLER, LLP FOR THE PROVISION OF FEDERAL LEGISLATIVE REPRESENTATION</u> | Resolution |
| 16. <u>APPROVE ON-CALL MARINE ENGINEERING CONSULTING SERVICES LIST</u> | Resolution |
| 17. <u>AUTHORIZE RELEASE OF A REQUEST FOR QUALIFICATIONS (RFQ) FOR ON-CALL PLANNING SERVICES</u> | Action |
| 18. <u>AUTHORIZE RELEASE OF REQUEST FOR QUALIFICATIONS (RFQ) FOR FERRY TERMINAL DESIGN SERVICES</u> | Action |
| 19. <u>RESCIND CONTRACT AWARD TO C2PM AND AWARD CONTRACT TO GHIRARDELLI ASSOCIATES FOR CONSTRUCTION MANAGEMENT SERVICES FOR PIER 9 BERTHING FACILITY PROJECT</u> | Resolution |

Water Emergency Transportation Authority
May 6, 2010 Meeting of the Board of Directors

20. RECESS INTO CLOSED SESSION

a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: City of Alameda ferry terminal related property/assets
Agency Negotiators: Nina Rannells and John Sindzinski, San Francisco Bay Area Water Emergency Transportation Authority
Negotiating Parties: City of Alameda
Under Negotiation: Terms and conditions to the transfer of property with the City of Alameda for the Alameda Oakland and Harbor Bay Ferry Services

***Action
To Be Determined***

b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: City of Vallejo ferry terminal related property/assets
Agency Negotiators: Nina Rannells and John Sindzinski, San Francisco Bay Area Water Emergency Transportation Authority
Negotiating Parties: City of Vallejo
Under Negotiation: Terms and conditions to the transfer of property/assets with the City of Vallejo for the Vallejo Baylink Service

***Action
To Be Determined***

c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: City of Berkeley ferry terminal related property
Agency Negotiators: Nina Rannells and John Sindzinski, San Francisco Bay Area Water Emergency Transportation Authority
Negotiating Parties: City of Berkeley
Under Negotiation: Terms and conditions to the cooperative agreement/lease with the City of Berkeley for Berkeley service

***Action
To Be Determined***

21. REPORT OF ACTIVITY IN CLOSED SESSION

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.

22. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

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 or call (415) 291-3377 at least five (5) days before the meeting. Under Cal. Gov't. Code sec. 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 Gov't. Code sec. 84308 and to applicable regulations.

M E M O R A N D U M

TO: WETA Board Members

FROM: Nina Rannells, Executive Director

DATE: May 6, 2010

RE: Executive Director's Report

PROJECT UPDATES

Service Transition Implementation – The Transition Plan guides the consolidation of the Vallejo, Alameda/Oakland and Harbor Bay ferry services under WETA, and presents a five year financial outlook of WETA operating and expansion activities. The WETA Board of Directors adopted the final Transition Plan on June 18, 2009, in compliance with Senate Bills 976 and 1093 requirements.

WETA met with City of Alameda staff on April 16 and April 30 to continue discussions on the terms of the Alameda ferry service transition. WETA and City of Alameda staffs met with the Port of Oakland on April 12 to discuss the Alameda/Oakland ferry service's FY 2010/11 budget and transition. On April 20, the Alameda City Council discussed the service transition in closed session. We hope to be in a position to bring forward a transition agreement for Board consideration in June or July of this year.

Emergency Water Transportation System Management Plan (EWTSMP) – This plan sets a framework for WETA coordination of emergency response and recovery efforts using passenger ferries and will provide a detailed definition of WETA's roles and responsibilities for incident planning, response, recovery and restoration of normal operations. The WETA Board of Directors adopted the final Emergency Water Transportation System Management Plan on June 18, 2009, in compliance with the requirements of Senate Bills 976 and 1093.

Preparation of the EWTSMP and the Emergency Operations Plan (agency's internal plan) are complete. WETA is currently working on setting up the communication system in the emergency operations center and continues to develop and implement a training program to staff and operate the center in the event of a disaster. Staff has finalized plans to participate in an emergency response exercise, conducted by MTC, which will be held in parallel with the Golden Guardian exercise on May 18 and will update the board at a future meeting.

Spare Vessels - Two spare vessels, *Gemini* and *Pisces*, have been constructed by Nichols Brothers Boat Builders, Ice Floe DBA and Kvichak Marine Industries, that will be used to augment existing services and expand WETA's emergency response capabilities. Both of these vessels are chartered to the City of Alameda and are currently being utilized in Alameda-Oakland, Tiburon and Alameda Harbor Bay services.

South San Francisco Ferry Service - This service will provide access to biotech and other jobs in South San Francisco for East Bay commuters and expand the geographic reach of emergency ferry transportation response capabilities on the San Francisco Bay.

Construction of two new 199-passenger vessels for this service by Kvichak Marine Industries and Nichols Brothers Boat Builders, Ice Floe DBA is complete. The last South San Francisco vessel, *Taurus*, is scheduled to be delivered to the Bay Area on Monday, May 3. An update will be provided at the Board meeting.

Over the past several months, proposals for construction of the South San Francisco Ferry Terminal and float have been under review. On April 19 staff received responses to the second round of Best and Final offers from each of the final proposers. The final evaluation of the submittals has been completed and a recommendation for contract award is included for consideration later on the agenda.

As a part of the business and service plan development, staff has assisted the Peninsula Traffic Congestion Relief Alliance in preparing a grant application to receive San Mateo County Measure A Local Shuttle Bus funding to support shuttle service to the future South San Francisco ferry terminal.

Berkeley Ferry Service – This service will provide an alternative transportation link between Berkeley and downtown San Francisco.

Staff is working with our consultant, FTA, and the City of Berkeley to complete the EIR/EIS consistent with federal and state requirements and the conditions that the Berkeley City Council imposed in its resolution supporting the project. Staff has prepared a letter to the Bay Conservation and Development Commission (BCDC) detailing how this project is consistent with BCDC's Bay Area Plan in response to some questions raised about the project by BCDC staff.

Treasure Island Service – This project, implemented by Treasure Island Development Authority (TIDA), the Mayor's Office of Economic and Workforce Development and the prospective developer, will institute new ferry service between Treasure Island and downtown San Francisco.

Staff met with its design team as well as representatives of TIDA and the developer and is in the process of finalizing a plan to phase in new ferry service to and from the Island. Details on this phasing plan will be presented to the WETA Board at its June 2010 meeting.

Downtown San Francisco Ferry Berthing Expansion - This project will expand ferry berthing capacity at the San Francisco Downtown Ferry Terminal to accommodate expanded regular and emergency response ferry services. The current capacity at this terminal can only sustain the addition of the Berkeley-to-San Francisco route; any other route will require further terminal capacity.

RFQs for the environmental clearance and design work were issued this month and statements of qualifications will be submitted to the WETA and evaluated in time for a recommended award action at the June 2010 WETA Board meeting.

Pier 9 Berthing Facility - This project would construct two layover berths for mooring and access to ferry vessels on Pier 9 alongside the northern pier apron and adjacent to the WETA Administrative Offices.

Staff is working to finalize an agreement for construction management (see item on the agenda) and anticipates release the construction RFP in May 2010.

Central Bay Operations and Maintenance Facility - This project will develop a site for WETA operations and maintenance to serve basic vessel fueling, maintenance, shop, warehouse, storage and emergency operations needs.

Conceptual design work for this project is due for completion in May 2010. The final concept design will support preparation of the necessary environmental impact review documents required by CEQA and NEPA regulations. Environmental clearance of this project is anticipated to occur by the

end of 2010 allowing WETA to proceed with preliminary and final design for the proposed maintenance facility.

Hercules Environmental Review/Conceptual Design - WETA has worked cooperatively with the City of Hercules to prepare the necessary environmental documents to support new ferry service in coordination with a Capitol Corridor commuter train station (and local feeder bus service) in a new Water Transit Oriented Development (WaTOD) being built at the Hercules waterfront.

The City of Hercules is working to complete its own environmental assessment for the Capitol Corridor station project as this is a "fast track" project for the City that needs to be in construction in 2010. The environmental assessment for the ferry terminal and service is being completed by Impact Sciences, under contract with WETA and in consultation with the City of Hercules. Impact Sciences is scheduled to complete an Administrative Draft of the EIR/EIS for WETA, City and FTA review in late spring.

Miscellaneous Environmental Assessments/Conceptual Design – This project involves completing environmental and conceptual design documents for potential future ferry services in Antioch, Martinez, Redwood City and Richmond.

WETA is beginning the process of re-engaging the environmental review consultants to re-start the assessments after a year and a half hiatus due to the suspension of Proposition 1 B funds in December 2008. Given the availability of Proposition 1B funds, staff is requesting authorization to issue RFQs for the conceptual design work that will be required to complete these environmental assessments.

UPDATE ON RELEVANT PROJECTS IMPLEMENTED BY OTHER AGENCIES

Vallejo Station - Vallejo Station is a compact, transit-oriented mixed-use project in the City of Vallejo that includes two major transit elements – a bus transfer facility that will consolidate local, regional and commuter bus services and a 1,200 space parking garage for ferry patrons.

Design of Phase A of the parking structure is 100% complete and all funding sources for Phase A of the Program have been secured. On April 13, Vallejo City Council awarded the construction contract for Phase I of the parking structure to Howard S. Wright Construction Co in the amount of \$16,654,126.

It is anticipated that the Notice to Proceed will be issued in early June. Meetings with USPS personnel regarding relocation are still underway and a potential relocation site has been identified. Design of Phase B of the Parking Structure is in the final design stage with the construction start date being dependent on the relocation of the post office property and full funding for this phase. Site work and utility construction is complete on the Bus Transit Center and structural steel is being erected. Construction is currently at 25% completion, with a new anticipated construction end date of February 28, 2011 due to rain delays during the site work.

Mare Island Ferry Maintenance Facility – This project will construct a new ferry maintenance facility located at Building 165 on Mare Island in Vallejo in three phases. Phase 1 constructs a 48,000 gallon fuel storage (2 week supply) and delivery system. Phase 2 includes construction of a system of floats and piers to initially berth 6 vessels but designed in a modular fashion to accommodate future growth of the fleet, demolition of Building 855, and construction of a new warehouse/shop in its place. Phase 3 will renovate Building 165 into a permanent office and shop space (including lead dust abatement), and security installations. The design consultants, Winzler & Kelly, finished the conceptual design for all three phases in August 2005.

In anticipation of WETA taking over ferry operations from the City of Vallejo, WETA Staff reviewed the project in early 2009 and recommended that five specific areas of the plan be re-studied/amended including fuel tank storage options, modular construction of vessel berths, options

to address BCDC global warming criteria, re-examining if continuing renovation of building 165 is optimal and revising lead dust abatement cost estimates.

Lennar (landlord of the site) and City of Vallejo, in consultation with WETA, are working to complete a 95% clean draft of the Facilities Agreement Lease in the very near term. Once received, the document will be routed to the City and WETA staff for a comprehensive review.

Work continues on the 50% plans and specifications package for the Phase 1 Ferry Fueling Facility and Phase 2 Waterfront Infrastructure. The consultant team, being led by Winzler & Kelly, expects to have the 50% package completed for City and WETA review by the end of June 2010.

A meeting will be held with the US Army Corps of Engineers on April 28 to discuss the project impacts on the navigable channel in Mare Island Strait. The meeting will focus on clearly identifying the impacts and discussion on the waiver process. All other permit actions are ongoing.

OUTREACH, PUBLIC INFORMATION, AND MARKETING EFFORTS

On April 5, Leamon Abrams attended the SPUR Transportation Committee meeting.

On April 8, Lauren Duran attended the MTC Trans Response Plan Steering Committee meeting.

On April 11, Michael Gougherty attended the Hercules Community Update to update local residents on the status of the Hercules Ferry Terminal project.

On April 12, Michael Gougherty and Leamon Abrams met with the Peninsula Traffic Congestion Relief Alliance staff to discuss shuttle service to the South San Francisco Ferry Terminal.

On April 13, staff met with Josh Franco and Brian Hooker from Congressman Garamendi's office to introduce them to WETA and our program of projects and discuss efforts to increase Ferry Boat Discretionary funds in the up-coming transportation reauthorization bill.

On April 13, Nina Rannells and Leamon Abrams met with Jim Wunderman from the Bay Area Council to discuss WETA's program.

On April 14, Nina Rannells gave a presentation to the Solano Transportation Authority on the status of WETA's program and the Vallejo transition work.

On April 21, John Sindzinski and Leamon Abrams gave a presentation to the Waterfront Action group on WETA's development plans.

On April 21, Leamon Abrams gave a presentation on WETA's upcoming contracting opportunities at the Business Outreach Committee meeting held at MTC.

April 20–22, Nina Rannells and Peter Friedmann, along with other Public Ferry Coalition members, met with various federal representatives in Washington DC to advocate for increased funding for the Ferry Boat Discretionary program in the federal transportation reauthorization bill. Additional information regarding these meetings is provided under the Federal Legislative Report.

On April 28, Nina Rannells gave a presentation to the American Council of Engineering Companies, California Bay Bridge Chapter, on the status of WETA's program and up-coming projects.

OTHER ACTIVITIES / ITEMS

Proposition 1B Funds – Staff has been in regular contact with CalEMA over the past year working to sort through the status of FY 2007/08 and FY 2008/09 Proposition 1B grant awards and to receive payment of funds owed. With the enactment of AB 1203 on January 1, 2010, WETA is due to receive up-front payment of all awarded Proposition 1B funds not previously invoiced/paid; approximately \$44 million. On April 21, 2010, payment of the amount owed was received from CalEMA. The receipt of these funds will allow WETA to move forward with several capital and planning projects that have been slowed or stalled due to the lack of up-front state funds. In accordance with CalEMA requirements, these funds must be deposited in separate bank accounts for tracking purposes, and funds, including interest, can only be used to support CalEMA approved capital projects. In accordance with these requirements, funds have been deposited into Premium Money Market accounts with Bank of America (one for each fiscal year program) for drawdown as WETA incurs eligible project expenses.

WETA Reserves/Regional Measure 2 Funds/MTC Loan – Staff continued discussions with MTC regarding options for addressing WETA cash flow needs associated with implementing our operating and capital programs. This issue relates to the need to have access to cash reserves to support ongoing operations and emergency response capabilities and to make up-front payment of capital project invoices prior to receiving grant reimbursements. Creating a cash reserve is an important operating requirement for WETA as it moves forward to take on system operations and will be equally as important as WETA moves forward with large construction projects, such as South San Francisco terminal construction, which requires WETA to make up-front payments for work activities. While the receipt of State Proposition 1B funds will largely solve WETA's immediate capital program cash issues, there is still a need to develop a loan or advance agreement with MTC and/or the San Mateo County Transportation Authority to address the reimbursement nature of Measure A funds to be utilized for the SSF terminal construction. Staff is working on an agreement with MTC for funds and will bring forward an item for Board action in June or July.

Prevailing Wage – On July 1, 2009 staff sent a letter to the Department of Industrial Relations (DIR) asking whether or not prevailing wage laws apply to passenger ferry operations on the San Francisco Bay and if DIR can conduct a special determination even if prevailing wage laws do not apply. On July 14 WETA received a letter from DIR stating that WETA is not required by state law to pay prevailing wage for ferry operations work. DIR issued a draft special determination for prevailing wages for regular ferry operations on the San Francisco Bay on October 7, 2009, and a clarifying letter on February 17, 2010, related to health and welfare rates for deckhands. Staff has reviewed the information in these letters and will incorporate a discussion on prevailing wage into the up-coming development of a ferry service operating RFP this summer, which would serve to consolidate transitioned city services and new SSF service under one operator.

ADMINISTRATION

March Financial Statements - Attached are the monthly financial statements for March 2010, including the Statement of Revenues and Expenses and the Capital Budget vs. Expenditures reports.

**Water Emergency Transportation Authority
FY2009/10 Statement of Revenues and Expenses
March 2010**

	Current Month	Prior Year Actual	FY 2009/10 Budget	FY 2009/10 Actual	% of Budget
% of Year Elapsed 75%					
Operating Revenues					
Operating Assistance					
RM 2 Planning	250,759	3,656,290	4,500,000	2,524,458	56.1%
SUASI	-	173,802	-	26,198	0%
Total Operating Assistance	250,759	3,830,092	4,500,000	2,550,656	56.7%
Other Revenues					
Interest Income	1,262	34,643	30,000	10,149	33.8%
Other	-	51,500	-	1,000	0.0%
Total Other Revenues	1,262	86,143	30,000	11,149	37.2%
Total Operating Revenues	252,021	3,916,235	4,530,000	2,561,804	56.6%
Total Capital Revenues	993,890	17,675,940	35,816,070	6,400,875	17.9%
Total Revenues	1,245,911	21,592,175	40,346,070	8,962,679	22.2%
Operating Expenses					
Operations					
Wages and Fringe Benefits	144,118	1,294,230	1,590,000	1,109,032	69.8%
Services	81,336	2,164,056	2,370,000	1,163,896	49.1%
Materials and Supplies	700	29,045	92,500	6,429	7.0%
Utilities	792	12,847	17,000	7,305	43.0%
Insurance	-	30,352	35,000	28,216	80.6%
Miscellaneous	560	41,170	95,500	27,105	28.4%
Leases and Rentals	23,253	295,942	300,000	208,672	69.6%
Total Operations	250,759	3,867,643	4,500,000	2,550,656	56.7%
Total Operating Expenses	250,759	3,867,643	4,500,000	2,550,656	56.7%
Total Capital Expenses	993,890	17,675,940	35,816,070	6,400,875	17.9%
Total Expenses	1,244,649	21,543,583	40,316,070	8,951,530	22.2%
Excess Revenues (Loss)	1,262	48,592	30,000	11,149	

**Water Emergency Transportation Authority
FY 2009/10 Capital Budget vs Expenditures
March 2010**

Project Description	Current Month	Project Budget	Prior Year Actual	2009/10 Budget*	2009/10 Actual	Future Year	% of Project
Expenses							
2 Spare Vessels	-	17,000,000	16,758,493	241,507	7,677	-	99%
SSF Vessels	921,161	20,500,000	11,441,898	7,000,000	4,620,370	2,058,102	78%
SSF Terminal Design	(32,876)	3,000,000	2,794,926	205,074	57,288	-	95%
SSF Mitigation Study	1,155	275,000	35,581	100,000	6,875	139,419	15%
SSF Terminal Construction	69,437	26,000,000	-	15,000,000	1,350,859	11,000,000	5%
Berkeley Environ/Conceptual Design	23,819	1,782,700	1,490,239	292,461	137,830	-	91%
Berkeley Terminal Design	-	3,200,000	-	1,500,000	-	1,700,000	0%
Hercules Environ/Conceptual Design	-	1,080,000	908,016	171,984	47,777	-	88%
Pier 9 Mooring/Floats	-	2,750,000	237,562	2,512,438	88,875	-	12%
Environmental Studies/Conceptual Design	-	3,000,000	56,000	1,500,000	-	1,444,000	2%
Central Bay Ops/Maintenance Facility	11,194	2,600,000	7,394	2,592,606	83,323	-	3%
Maintenance Barge, Floats & Ramps	-	5,000,000	-	3,500,000	-	1,500,000	0%
S.F. Berthing - Environ/Conceptual Design	-	2,500,000	-	1,200,000	-	1,300,000	0%
Total Capital Expenses	993,890	88,687,700	33,730,110	35,816,070	6,400,875	19,141,520	
Revenues							
RM 2	88,270	37,887,699	30,960,852	5,996,429	2,568,217	930,418	88%
San Mateo County Sales Tax	32,540	15,000,000	-	8,653,950	356,142	6,346,050	2%
Federal	734,625	9,480,002	2,705,864	4,174,100	2,009,636	2,600,038	50%
Proposition 1B	138,455	26,319,999	63,395	16,991,590	1,466,880	9,265,014	6%
Total Capital Revenues	993,890	88,687,700	33,730,110	35,816,070	6,400,875	19,141,520	

*Actual FY2008/09 expenditures were greater than the estimate; therefore, FY2009/10 Budget is \$51,070 less than the Adopted Budget.

Peter Friedmann
Of Counsel

OurManInDC@FederalRelations.com

DATE: April 26, 2010
TO: WETA Board of Directors
FROM: Peter Friedmann
SUBJECT: Nina Rannells in DC Lobbying for Ferries

Public Ferry Coalition "Fly-In"

On April 19 and 20, Nina Rannells, WETA Executive Director, joined Executives of Washington State, New York (Staten Island) and Delaware ferry authorities, as well as representatives of the Governors of Alaska and North Carolina, for two days of intensive meetings on Capitol Hill. We were with the Public Ferry Coalition (PFC), an informal group of ferry agencies. Meetings were with the Chair of the House Transportation and Infrastructure (T&I) Committee, Congressman Oberstar, as well as Senators, Congressmen, and staffers representing these ferry systems, as well as Members of the T&I and Senate Environment and Public Works Committee.

Some of the meetings were held in conjunction with other PFC members, while others were conducted by Nina and Peter, for example, with Senator Boxer's Committee staff and with the Bay Area Congressional Delegation offices. The objective was to build support for assuring that WETA will receive a fair share of any ferry boat funding provided in the next Transportation Authorization bill. We were greatly encouraged by the support of the California Delegation and Washington State Delegation.

Attached is the PFC brochure.

The Next Transportation Bill

All transportation, highway and transit advocates are ramping up for the next Transportation Authorization bill. While some are hopeful that such a bill will be enacted this year, most of us believe that it will not happen until next year, due to the lack of sufficient funding sources to pay for all the highway, cargo, and transit infrastructure needs.

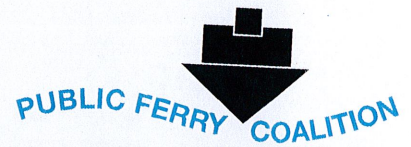
Every transportation mode is seeking a larger piece of the federal funding pie. Ferries are now receiving approximately \$68 million annually; we are seeking \$200 million annually, for all ferries nationwide, which would more than triple the total federal support for ferries.

The PFC has gained introduction of legislation which serves as a "marker" for a ferry provision in the upcoming Transportation bill. Not all PFC members agree with all the specifics of that legislation, but we support the notion that federal support for ferries should be increased, and that there should be an office at the US DOT assigned to support and promote ferry transportation. In its current form, the bill would divide the proposed \$200 million into two halves -- \$100 million to be distributed under a formula, and \$100 million would be "discretionary" -- under the DOT grant process, or earmarked by Congress.

Again, this is the first step, as work continues in the Committees to draft the next Transportation bill. The determination of how much money will be allocated to ferries, and the means by which it will be allocated, will be made as the final legislation is considered. At this point it is clear that there is a great deal of work left to be done by the key House and Senate Committees and by WETA to assure a desirable outcome.

Respectfully submitted,
Peter Friedmann

The Need for Major Investment in Public Ferry Systems



Spring/Summer 2010



Ferries are a critical part of the U.S. transportation system

- Carry over 100,000,000 passengers annually.
- Operate in 38 states.
- Connect federal-aid highways, and transit systems.
- Provide critical supplies to and transportation for isolated communities.
- An alternative to interruptions of other modes, and in emergencies.
- 25% of ferry boats are 40+ years old.
- Staten Island Ferry and Washington State Ferries carry more passengers than Amtrak, and more than 70% of the nation's commuter rail systems.

Yet, the federal ferry program accounts for less than 1/10th of total federal transportation funding.

Ferries carry more than 100 million passengers annually and operate in at least 38 states. They provide a critical transportation option to help ease congestion in major metropolitan areas--in many metropolitan areas, ferries represent one of the few remaining options for significant transportation capacity expansion. They also serve isolated communities and provide a critical emergency evacuation alternative.

Ferries also can serve as an interim solution when other transportation infrastructure fails. Ferry service quickly sprang up to compensate for the disrupted PATH train after the 9/11 attacks in New York City and for the loss of part of the San Francisco Bay Bridge in the Loma Prieta earthquake.

Our nation's public ferry systems need federal assistance to help meet growing demand and to replace aging vessels, terminals and other landside facilities.

According to USDOT, 25 percent of U.S. ferry vessels are over 40 years old and 5 percent are over 60 years old.

Ferry transportation has often been undervalued and under-represented in federal transportation policymaking because ferries don't fit neatly into any of the major transportation modes. Despite the importance of ferries in many regions, the federal ferryboat discretionary program accounts for less than 1/10th of 1 percent of total federal transportation funding.

Ferries deserve increased attention and support because they offer a relatively energy-efficient, environmentally-friendly, low stress and lap-top friendly mode of travel. Increasing federal investment in public ferry systems will help economic productivity by reducing traffic congestion. Construction and operation of new ferries will also generate thousands of much-needed family-wage jobs in shipyards and ferry systems.



The Public Ferry Coalition

Seven of the nation's largest and most critical public ferry systems have formed the Public Ferry Coalition (PFC) to advocate for federal recognition and support of the critical role public ferry transportation plays in America's transportation system and economy. The Coalition members are:

- Alaska Marine Highway
- Cape May-Lewes Ferry
- Maine DOT-Maine State Ferry Service
- New York City DOT Ferry Division (Staten Island Ferry)
- North Carolina DOT Ferry Division
- Washington State Ferries-WSDOT
- Water Emergency Transportation Authority of San Francisco Bay

These seven systems carry the large majority of passengers and vehicles transported by ferries, according to USDOT's ferry survey. Two of our members, Washington State Ferries and the Staten Island Ferry, each carry

more passengers than Amtrak, 80% of the nation's light rail systems, 70% of the nation's commuter rail systems, and 40% of the nation's heavy rail transit systems.

PFC members estimate the capital needs over the next 6 years exceed \$2 billion. There are also numerous smaller systems with additional capital needs. The total capital need for public ferry systems over the next 6 years probably approaches \$3 billion.

Public ferry systems need the federal government to be an active partner in helping them address these critical capital needs of a significant transportation mode.

The Public Ferry Coalition strategy endorses the **U.S. Ferry Systems Investment Act** (H.R. 2172, S. 930), which would improve and expand federal investment in ferries:

- Authorize a 3-fold increase in funding for the Ferryboat Discretionary Program from \$67 million in 2009 to \$200 million annually.

- Establish a weighted formula to distribute half of the authorized funding based on passenger boardings (50%), vehicle boardings (25%) and total ferry system route miles (25%), thereby ensuring that the largest and most critical public ferry systems receive adequate funding. The remaining half of the authorized funds would continue to be distributed on a discretionary basis, which would help initiate, maintain and expand ferry services throughout the country.
- Establish a Ferry Joint Program Office in USDOT to coordinate federal programs affecting ferry systems.
- Authorize ferry systems to compete for FTA's Clean Fuels Grant Program.
- Improve the National Ferry Database and require that its data are consistent with the National Transit Database.
- Establish a National Ferry Transportation Institute at a college or university to conduct research, training and other programs to improve the U.S. ferry transportation systems.

State Legislative Report
Jan.-April 2010

Proposition 1B Funding Successfully Concluded

After considerable delay, we were finally able to secure payment of the \$44 million in Proposition 1B due WETA from CalEMA, which acts as a fiscal intermediary and granting agency for the funds.

Efforts by WETA staff to work cooperatively with CalEMA staff had failed to produce the desired result and, while promises were made that the funds would be forthcoming, the payments were simply not being approved and processed.

We decided that our only choice was to increase pressure on CalEMA through use of our legislative contacts and to pursue expedited approval and payment through the state budget process. We assembled a coalition of business, labor, and local government groups to write the Agency Secretary of CalEMA to demand payment. The Executive Director, Board Member Intintoli, and I met with Senator Mark DeSaulnier, Chair of Budget Subcommittee No. 4, which has jurisdiction over CalEMA's budget, to request his intercession in the matter. We had planned to testify (along with our coalition partners) at the Subcommittee hearing when payment was made. Therefore, we no longer need to pursue the issue.

I also met with State Controller John Chaing to request his help in insuring that the funds were rapidly disbursed once they were submitted to his office. He had his Chief of Staff look into the issue and payment was made 24 hours later.

Assembly Woman Fiona Ma was extremely helpful as well. She not only carried our sponsored legislation last year to clarify that WETA is authorized to receive Proposition 1B funding in advance rather than in arrears, but repeatedly called CalEMA to push them to release our funds. She was prepared to amend legislation in the current year to further clarify the law regarding payment of Proposition 1B funds, but that will probably be unnecessary in light of the actual receipt of the funds. We are reviewing the issue now.

State Budget Situation

At this point, the state budget is approximately \$15 billion in the red. In March, the Legislature held a special session to try to reduce the budget shortfall. They succeeded in passing a bill to secure reliable transportation and highway construction funding while managing to obtain considerable relief for the general fund. While the "gas tax swap" did not affect WETA directly, securing a steady source of funding for public transit is helpful in having partners who will have adequate resources to fund feeder bus service to and from our ferry terminals.

The budget negotiations for the FY 2010-1011 budget will now begin in earnest. While tax revenues appear to be going up, which will help close the budget shortfall, there is no consensus on what to do. Republicans appear to be adamantly opposed to raising taxes or fees and the Democrats are passionately opposed to further budget cuts.

There is no "plan" at this point on how to overcome this fundamental conflict. In the past, this has resulted in more cuts.

Bills on the Watch List

SB 1205 (Corbett) -- Would create the "San Francisco Bay Area Disaster Recovery Authority," under the authority of ABAG. The purpose would be to coordinate all disaster relief functions in the event of a natural or man-made emergency.

Status: Senate Appropriations Committee.

SB 1258 (Kehoe) -- Would impose a 4.8% emergency response surcharge on all new or renewed commercial and residential fire or multiperil insurance premiums issued or renewed on or after July 1, 2010 in California. Would allocate surcharge revenue directly to CALFIRE, CalEMA, and local governments to fund critical emergency mutual aid response, equipment and other resources.

Status: Senate Appropriations Committee.

SB 1061 (Hancock) -- Would allow a project to construct a bicycle-pedestrian-maintenance pathway on the west span of the Bay Bridge to be funded by toll bridge revenues. The bill would prohibit bridge tolls to be increased to fund this project, but would require project sponsors to seek funding from all other potential sources, including the State Highway Account and federal funds.

Status: Senate Appropriations Committee.

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

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Update of Signature Authority for Local Agency Investment Fund (LAIF) Account

Recommendation

Authorize by resolution signature authority to be vested with the Executive Director, Manager of Finance & Grants and Manager of Administration & Business Services.

Background

For use in carrying out WETA's daily operation, staff has formed banking relationships with three separate banking institutions. These relationships include an account with Bank of America used to receive deposits of grant allocations, reimbursements and refunds, an account with Bank of the West used by WETA's accounting group (Association of Bay Area Governments) to issue agency payments and the Local Agency Investment Fund (LAIF) account used to invest agency fund balances.

Discussion

The Local Agency Investment Fund (LAIF) program was created in 1977, through Section 16429.1 et seq. of the California Government Code, to provide an investment alternative for California's local governments and special districts. LAIF offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the Treasurer's Office investment staff at no additional cost to the taxpayer. For WETA, transfer of funds to/from LAIF can only occur between authorized accounts, which include the Bank of America and Bank of the West accounts noted above.

Changes to the LAIF account structure and management require Board action. This item requests Board action to update signatories on the account consistent with the WETA staff structure and lines of responsibility. The only change associated with this item is to remove the signature authority of the Deputy Executive Director position, a position which no longer exists within the organizational structure, and replace it with the Manager, Finance & Grants.

Fiscal Impact

None.

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development**

SUBJECT: Award of Terminal and Viewing Terrace Construction Contract for the South San Francisco Ferry Terminal

Recommendation

Award by resolution a contract for the construction of the South San Francisco terminal and viewing terrace to Power Engineering Contractors, Inc. in an amount not to exceed \$8.6 million, and authorize the Executive Director to negotiate and enter into a contract for this work.

Background

This is one of three separate construction projects required to build the South San Francisco Ferry Terminal. This work includes construction of the BCDC required viewing platform and fixed terminal, both of which are to be constructed on piers over the water. The terminal includes a covered and wind sheltered walkway and patron waiting area which is connected to the float via a 90 foot long steel gangway that are the subject of the second construction project for this terminal discussed in another item on today's agenda.

All regional and federal permits required from the Bay Conservation & Development Commission (BCDC), the Regional Water Quality Control Board, and United States Army Corps of Engineers (USACE) have been received. Additionally, the City of South San Francisco has approved an amendment to its general plan that allows the terminal to be built at the site. The remaining permit, the City Building Permit, applies only to the terminal construction portion of the project and will be the responsibility of the terminal construction contractor to obtain once selected.

A three-party lease was signed by WETA, the Harbor District and the City of South San Francisco in June 2009, allowing for the use of the Oyster Point Marina site for the location of the South San Francisco terminal.

Discussion

On November 5, 2009 the Board of Directors approved the release of the Request for Proposal (RFP) for the construction of the terminal and viewing terrace project for the South San Francisco ferry terminal.

Procurement Process:

An RFP form of procurement was used as this project is a "design build" type of project, meaning that the selected contractor must complete design work to WETA's specifications. The RFP was released on November 10, 2009 to the construction industry. Notice of the availability of the RFP was sent to WETA's mailing list, published in the San Francisco Chronicle and in

several trade papers, as well as listed on the Agency's website, consistent with the Authority's Administrative Code.

During the period the RFP was available, WETA hosted a Proposers' conference at the project site in Oyster point that was attended by upwards of 25 different contractors. Overall, seven addenda were issued to the RFP to clarify design and technical specifications, and answer questions raised by prospective proposers.

Evaluation Process:

The RFPs required proposers to first submit technical qualifications for review and scoring. The technical portion of the evaluation process amounted to 40% of the total score possible. Scores of each offeror's technical proposals were used to determine which of the offerors were in the competitive range and would be asked to submit price proposals. This two-step process was used to identify the most qualified firms WETA would consider and helped relieve firms that received lower technical scores of the burden and expense of preparing detailed price proposals.

Technical scores considered each offeror's technical approach to and understanding of the project, management plan, experience in building similar structures, references, qualifications of its proposed team, and its safety and environmental awareness programs, among other factors.

A total of six firms submitted technical proposals. The evaluation committee, which included WETA staff, the project architect and construction manager, Marty Robbins of the Vallejo Baylink ferry service, reviewed all technical proposals. Based on this review of the technical submittals, four of the six submitting firms were invited on January 13, 2010 to submit price proposals for the project.

Price proposals were tendered on February 12, 2010 by the four firms. After review of the written materials, all four firms were asked to participate in an interview with the evaluation committee to clarify their proposals and to better explain the approach to building each segment of the project. All firms were also asked to submit any ideas they had to change the design or specifications, without sacrificing either functionality or quality that would reduce the cost to build these facilities. Discussion of these value engineering concepts helped the evaluation committee to understand each proposer's approach to the project and gain insight into their understanding of WETA's project goals and specifications. However, the final evaluation and scoring of cost was based on the base bid only. The base bids were limited to the cost to build the project exactly as WETA has directed with no changes or value engineering considerations. This was a necessary distinction so that all the evaluations of cost could be considered on the very same basis.

After the interview process, two rounds of Best and Finals Offers were conducted to achieve the best possible prices from each of the four finalists. In each round the four firms were asked to submit their most competitive price proposals for consideration. In each case the evaluation committee only scored the base bids each firm submitted. The results of the final price proposals as submitted to WETA on April 19, 2010 are shown in the following table.

Firm/Best and final cost	Terminal/Viewing Terrace
Dutra Construction	\$10,129,189.00
General Construction	\$9,826,000.00
Manson Construction	\$9,754,401.00
Power Engineering	\$7,798,835.00

These cost proposals are higher than the engineer's estimate for the project, which is \$6.5 million, as prepared by Martin Lee in October 2009 for the project construction. Once awarded, staff will work with the contractor and design firm to consider options for lowering costs through value engineering options and will inform the Board in the event that cost savings can be achieved.

Pursuant to the review process set forth in the RFP, the information above and the results of the technical scores determined earlier in the process resulted in the final scores for each submittal, summarized in the table below.

Firm/Score	Pier/Viewing Terrace
Dutra Construction	70.75
General Construction	75.47
Manson Construction	78.00
Power Engineering	93.96

Based on these results, the evaluation committee concluded that the proposal from Power Engineering Contractors, Inc. ("Power Engineering") is the "best value" submittal for this project. As a result, staff recommends awarding a contract to Power Engineering to construct the terminal and viewing terrace, and proposes that this award include a 10% owner's contingency. This owner's contingency will allow for any additive changes that WETA may find it needs to complete the project to its satisfaction, to add elements that were not in the original specifications or to deal with unforeseen circumstances.

The recommended award total including Owner's Contingency is \$8,600,000 to Power Engineering for the terminal and viewing terrace. Power Engineering would be responsible for driving the piles to support both the viewing terrace and the terminal itself. As proposed, the viewing platform would be built in place and Power Engineering may (subject to WETA approval) build the concrete terminal structure at its Alameda facility and transport it to South San Francisco for installation. This is a value engineering concept that may benefit WETA compared to building the structure on-site. The float and gangway can be brought to Oyster Point and attached to the terminal structure completing the entire construction project.

Based on their submittals, the Notice to Proceed with design activities will be issued in June with the construction project to be completed in the Fall of 2011, at which time the new South San Francisco ferry service can begin operations.

Fiscal Impact

The SSF Terminal construction is included in the FY 2009/10 Capital Budget and sufficient grant funds have been secured to support this contract award.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development

SUBJECT: Award of Float and Gangway Construction Contract for the South San Francisco Ferry Terminal

Recommendation

Award by resolution a contract for the construction of the South San Francisco float and gangway to Manson Construction Company in an amount not to exceed \$10.5 million and authorize the Executive Director to negotiate and enter into a contract for this work.

Background

This is one of three separate construction projects required to build the South San Francisco Ferry Terminal. This contract involves the building of a 92 foot long steel gangway connecting the terminal to a concrete float that is also part of this project. The float is the structure where vessels dock to load and disembark patrons. This project also includes the ramping system on the top of the float that is adjustable and designed to meet ADA access requirements for all different freeboards of public transit vessels in all possible tide conditions. This design is a standard that will be used in all future WETA terminal projects and is adaptable to any ferry vessel. This is an important benefit in the event of a major emergency that requires use of different vessels at different terminals. The float and gangway was designed by the project architect, ROMA Design Group and its subcontractors, including Moffat Nichols Engineers.

All regional and federal permits required from the Bay Conservation & Development Commission (BCDC), the Regional Water Quality Control Board, and United States Army Corps of Engineers (USACE) have been received. Additionally, the City of South San Francisco has approved an amendment to its general plan that allows the terminal to be built at the site. The remaining permit, the City Building Permit, applies only to the terminal construction portion of the project and will be the responsibility of the terminal construction contractor to obtain once selected.

A three-party lease was signed by WETA, the Harbor District and the City of South San Francisco in June 2009, allowing for the use of the Oyster Point Marina site for the South San Francisco terminal.

Discussion

On November 5, 2009 the Board of Directors approved the release of the Request for Proposal (RFP) for the construction of the South San Francisco ferry terminal float and gangway.

Procurement Process:

The procurement process used for this project involved issuance of an RFP, as it is a “design build” construction project, meaning that the selected contractor must complete design work to WETA’s specifications. The RFP was released on November 10, 2009 to the construction industry. Notice of the availability of this RFP was sent to WETA’s mailing list, published in the San Francisco Chronicle and in several trade papers, as well as posted on the Agency’s website consistent with the Authority’s Administrative Code.

During the period the RFP was available, WETA hosted a Proposers’ conference at the project site in Oyster Point that was attended by upwards of 25 different contractors. Overall, seven addenda were issued to the RFP to clarify design and technical specifications and answer question raised by prospective proposers.

Evaluation Process:

The RFP required proposers to first submit technical qualifications for review and scoring. The technical portion of the evaluation process amounted to 40% of the total score possible. Scores of each offeror’s technical proposals were used to determine which of the offerors were in the competitive range and would be asked to submit price proposals. This two-step process was used to identify the most qualified firms WETA would consider and helped relieve firms that received lower technical scores of the burden and expense of preparing detailed price proposals.

Technical scores considered each offeror’s technical approach to and understanding of the project, management plan, experience in building similar structures, references, qualifications of its proposed team, and its safety and environmental awareness programs, among other factors.

A total of six firms submitted technical proposals for this project. The evaluation committee, which included WETA staff, the project architect and construction manager, and Marty Robbins of the Vallejo Baylink ferry service, reviewed all six proposals. Based on the review of technical proposals, four of the six submitting firms were invited on January 13, 2010 to submit price proposals for the project.

Initial price proposals were tendered on February 12, 2010 by the four firms. After review of the written materials all four firms were asked to participate in an interview with the evaluation committee to clarify their proposals and to better explain the approach to building each segment of the project. All firms were also asked to submit any ideas they had to change the design or specifications, without sacrificing either functionality or quality that would reduce the cost to build these facilities. Discussion of these value engineering concepts helped the evaluation committee to understand each proposer’s approach to the project and gain insight into their understanding of WETA’s project goals and specifications. However, the final evaluation and scoring of cost was based on the base bid only. The base bids were limited to the cost to build the project exactly as WETA has directed with no changes or value engineering considerations. This was a necessary distinction so that all the evaluations of cost could be considered on the very same basis.

After the interview process, two rounds of Best and Finals Offers were conducted to achieve the best possible prices from each of the four finalists. In each round the four firms were asked to submit their most competitive price proposals for consideration. In each case the evaluation committee only scored the base bids each firm submitted. The results of the final price submittals as submitted to WETA on April 19, 2010 are shown in the following table.

Firm/Best and final cost	Float/Gangway
Dutra Construction	\$10,804,262.00
General Construction	\$10,440,000.00
Manson Construction	\$9,517,840.00
Power Engineering	\$9,884,035.00

These price proposals are in the range of the engineer's estimate prepared by Martin Lee for the project, which is \$9.3 million for project construction

Pursuant to the review process set forth in the RFP, the information above and the results of the technical scores determined earlier in the process resulted in the final scores for each submittal as summarized in the table below.

Firm/Score	Float/Gangway
Dutra Construction	77.95
General Construction	87.55
Power Engineering	88.36
Manson Construction	91.34

Based on these results, the evaluation committee concluded that the proposal from Manson Construction Company ("Manson") is the "best value" submittal for this project. As a result, staff recommends awarding a contract to Manson to construct the float and gangway project, and proposes that this award include a 10% owner's contingency. This owner's contingency will allow for any additive changes that WETA may find it needs to complete the project to its satisfaction, to add elements that were not in the original specifications or to deal with unforeseen circumstances.

The recommended award total, including Owner's Contingency, is \$10,500,000 to Manson for the float and gangway. The float and gangway would be built at Manson's yard in Richmond and then towed into place and connected to the terminal to complete the project.

Based on their submittals, the Notice to Proceed with final design activities will be issued in June with the project to be completed in the Fall of 2011, at which time the new South San Francisco ferry service can begin operations.

Fiscal Impact

The SSF Terminal construction is included in the FY 2009/10 Capital Budget and sufficient grant funds have been secured to support this contract award.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Planning and Development Manager

SUBJECT: Amendment to the Professional Services Contracts with Ghirardelli Associates

Recommendation

Approve, by resolution, Amendment Number 1 to the professional services agreement with Ghirardelli Associates to increase the not to exceed contract amount from \$500,000 to \$900,000 for South San Francisco ferry terminal construction management services.

Background

Ghirardelli Associates was first hired in September 2007 to provide construction management services to WETA for the South San Francisco ferry terminal project. As envisioned, this would include project RFP development, proposal evaluation and contractor management through construction. Through the extended project design and development period for this project, Ghirardelli has provided considerable hours of technical support for this project and has helped to position WETA to award contracts for final construction starting this summer.

As WETA's construction manager for the South San Francisco ferry terminal projects, they have provided staff with expertise and assistance in the project development and contractor selection process for three separate construction contracts to date, including:

- Preparing and issuing RFPs
- Monitoring and administering the bidding process including answering technical questions from potential bidders to scoring technical and price proposals
- Undertaking proposal evaluation tasks such as reference checks, review of contractor's safety programs and loss records; and
- Serving as a critical member in the evaluation committee

They have also provided extensive construction management services associated with the dredging and demolition component of the terminal construction completed late last year.

Discussion

In order to ensure that WETA has sufficient support and construction management oversight resources to last through the final two SSF construction contracts, totaling just under \$20 million and scheduled to take place over approximately 18 months, staff recommends approval of a contract amendment to the Ghirardelli Associates contract to

provide an additional \$400,000 in construction management services. Ghirardelli Associates' initial contract was for a not to exceed amount of \$500,000 which has covered support for development of three project RFPs, support through construction firm selection and construction management services for the dredging and demolition contract concluded this past year.

As WETA's construction manager for South San Francisco ferry terminal, Ghirardelli will provide ongoing inspection services assuring that the contractor builds the projects to WETA's standards, coordinating any requests from the contractor for change orders, facilitating response to Requests for Information, reviewing and approving the contractor's invoices, and other oversight activities commonly performed as the agency's Owner's Representative for these projects.

Ghirardelli Associates will serve as WETA's "Owner's Representative" overseeing all aspects of the contractor's performance and adherence to schedule and technical specifications. They will monitor the on-site work daily, confirm the quality and amounts of materials used by the contractor, ensure contractors diligently follow worker safety protocols, administer the collection of and responses to Requests for Information, and also undertake a thorough review of contractor's invoices for payment.

Working closely with WETA staff as well as the project architect and engineers, the construction manager will be accountable for seeing that each segment of the project (terminal/viewing terrace as well as gangway/float) are built according to approved design parameters, that the proper materials are used and that the specifications concerning how these projects are actually built are complied with by each contractor. The construction manager will have on-site inspectors at both the Oyster Point Marina overseeing the construction of the pier and viewing terrace as well as the shipyard where the float will be built. In this regard they will function as our ongoing and expert "eyes and ears" to ensure that the two projects meet our quality standards.

Fiscal Impact

This project is funded with Federal, San Mateo County Sales Tax and State Proposition 1B funds. Sufficient funds are available within the project budget to finance these additional services.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Planning and Development Manager

SUBJECT: Amendment to the Professional Services Contracts with ROMA
Design for South San Francisco Ferry Terminal Construction
Support Services

Recommendation

Approve, by resolution, Amendment Number 4 to the professional services agreement with ROMA Design Group for South San Francisco Terminal design services to increase the not to exceed contract amount from \$3,200,000 to \$3,875,000.

Background

ROMA Design Group was first retained by WETA on April 1, 2005 to provide all phases of design and engineering services for the South San Francisco ferry terminal project. Their initial contract was for \$2.7 million and was subsequently amended in May 2008 to increase the not to exceed amount to a total of \$3.2 million.

The firm has prepared all the drawings, plans and specifications for the construction of the project and was instrumental in helping WETA develop the RFPs for the three construction contracts for this terminal. The current not to exceed amount is insufficient to provide construction support services through construction due to several issues which delayed the project or increased the design work associated with this project, including:

- Funding issues causing significant delays
- Amendments to the conceptual design to comply with requirements in the 3-party lease agreement for the Oyster Point Marina site
- Development of a conceptual design for an alternative site, "the Slot," which the agency pursued during the Oyster Point Marina lease negotiations; and
- Additional design work required to obtain the BCDC permit

Roma and its subconsultants were actively involved in securing all the permits necessary to build this project, including the BCDC permit for dredging and the construction of the terminal itself.

Roma has done an excellent job helping WETA not only design this new terminal, but, also, develop plans and specifications for standard float that will be used in all future projects. The float has the distinct benefit of being able to accommodate and meet ADA accessibility requirements for all Bay Area public ferry vessels in all tide conditions. In

this regard the new standard float will be an important asset as it will allow boats to be interchangeable between and among ferry terminals.

Discussion

Now that the South San Francisco Terminal project is entering the build phase, additional design support services will be required to support project construction and completion. As a result, staff recommends amending the contract with ROMA Design Group to include an additional \$675,000, bringing the total contract to a not to exceed amount of \$3,875,000.

As the project architects and engineers, during project construction ROMA and its subcontractors will need to provide responses to Requests for Information from the project contractors as well as to review and approve all submittals and shop drawings prepared by these contractors. The architect and engineers will also be responsible for reviewing and approving any and all requests for "approved equals" to the technical specifications. "Approved equals" are requests by the contractors to substitute one specified supplier of materials with another usually for a lesser price. The "approved equals" review and approval process must examine the request in terms of not only functionality, but also quality control and assurance, durability and the expected benefits versus potential issues in future years with maintenance or breakdowns. They will also need to "sign-off" on any proposed value engineering concepts and details. Value engineering concepts are ideas that each of the two contractors may propose to simplify the building of the projects and to save costs. Any such request must be critically evaluated in terms of project specifications adherence to design and industry standards and a cost benefit analysis.

As project architect and engineers, Roma and its subconsultants will be responsible for overall quality assurance and adherence to specifications and best management practices. They will assist WETA and its construction manager throughout the course of the construction of both the terminal and float and will be important resources to WETA as well as the contractor when making critical decisions and undertaking work such as pile driving that must meet exacting standards and adherence to design detail. Their active involvement during the construction phase will help avoid any mistakes or oversights in the field or other errors that may happen during these complex undertakings.

Fiscal Impact

The South San Francisco Terminal project is included in the FY 2009/10 Capital Budget and is funded with Federal, San Mateo County Sales Tax and State Proposition 1B funds. Sufficient funds are available within the project budget to finance this contract amendment.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director

SUBJECT: Approve Fiscal Year 2010/11 Budget

Recommendation

Approve by motion the proposed Fiscal Year 2010/11 Budget.

Background

Chapter 5, Article 4, Section 66540.41 of the Authority's administrative code requires preparation and implementation of annual budgets to support the agency's operation. This item contains the proposed combined operating and capital budget for Fiscal Year 2010/11.

Discussion

The proposed FY 2010/11 Budget, as provided in **Attachment 1** to this report, totals \$33.48 million in expenses, including \$4.95 million in operating expenses and \$28.53 million in capital project expenses. Revenues to support this budget are available from Regional Measure 2 (RM2) capital and operating grants, federal capital grants, State Proposition 1B infrastructure bonds and San Mateo sales tax measure funds.

The FY 2010/11 operating budget includes \$3.00 million to support core administrative expenses for staffing and general agency administration, including support contracts for such items as accounting, legal support and state and federal legislative support. New service contracts associated with the transition and system construction activities scheduled for FY 2010/11, include insurance brokerage services, as well as both on-call marine engineering and planning services. The budget for operating activities is consistent with prior years and would be funded with \$3.00 million RM2 administrative funds. The operating budget also includes \$1.95 million in additional activities and expenses to support continued work on finalizing service transition activities and WETA spare vessels. These activities would be funded with an additional increment of RM2 operating funds. Transition activities include support for development of transition agreements and agency requirements, development of a marketing plan for WETA and the transitioning services, and implementation of marketing and public information activities at a cost of approximately \$1.00 million. The spare vessels program includes \$950,000 to support the incremental cost of mooring, maintenance, operating and insuring the two existing spare vessels and the two new South San Francisco (SSF) vessels, the last of which will be delivered in the coming weeks ahead of SSF service start-up. This program also includes funds to support minor float and gangway modifications to maximize the use of WETA vessels in service.

The proposed budget includes the addition of one full time, limited term, staff position to be added under the Manager of Planning & Development. This position is needed to support the increased capital program planning, development and construction activities planned for implementation in FY 2010/11, now that Proposition 1B funds are available. All costs associated with this capital-focused position will be applied to the capital

budget. An updated organizational chart including this addition is provided as **Attachment 2**.

The Capital Budget includes 13 projects with project budgets totaling \$86.11 million and estimated FY 2010/11 expenditures totaling \$28.53 million. Of special note, this program includes construction of the South San Francisco ferry terminal, and completion of the Pier 9 layover berthing facility. It also supports finalizing the environmental and conceptual design work for Hercules and Berkeley terminals, re-initiating work on environmental studies for four new terminal sites in Richmond, Redwood City, Antioch and Martinez, and initial environmental and conceptual design work on additional berthing facilities at the Downtown San Francisco ferry terminal. Other core infrastructure projects include developing a Central Bay maintenance facility at Alameda Point to support existing East Bay and future WETA services, and refurbishment and/or replacement of existing floats and ramps.

This budget does not include the direct operating or capital activities related to WETA assumption of Vallejo or Alameda ferry service operations. As service transition planning and preparation work progresses, staff will bring back a budget amendment that would detail the system program and related expenses and revenues.

A discussion of activities and expenses associated with each budget expense category and the capital program is provided below.

FY 2010/11 OPERATING PROGRAM

Wages and Fringe Benefits	FY 2010/11 wages and fringe benefits are budgeted at \$1.61 million, consistent with FY 2009/10. This figure assumes full staffing (10 FTEs) for twelve months and includes a 1.8% cost of living increase to wages based upon the one-year (February 2009 - February 2010) change in the Consumer Price Index for the San Francisco Bay Area. This also includes the cost of existing benefits, which are approximately 41% of salaries. Costs associated with the new, limited-term, position under the Manager of Planning and Development will be allocated towards the capital program as the work for this position will only include capital projects.
Services	Contract and professional services are budgeted to cost \$2.80 million in FY 2010/11. This includes \$848,000 for basic professional service contracts to support core agency activities such as legal, lobbying, accounting, finance, human resources, insurance brokerage, information technology, planning, and other management and technical services. This also includes \$1.0 million to support service transition development activities, such as development of transfer agreements, service detail and marketing and public information activities and \$950,000 to support spare vessel costs (via bareboat service agreements) .
Materials And Supplies	Materials and Supplies are budgeted to cost \$87,000 in FY 2010/11. This expense category includes printing, office supplies, furniture and equipment, freight and postage, and promotional materials.

Utilities Utilities are budgeted at \$19,000, consistent with FY 2009/10. This expense category includes such items as electric, gas, water and telephone expenses.

Insurance Insurance is budgeted to cost \$37,000 in FY 2010/11 for property, errors and omissions and general liability coverage. This amount includes an inflation increment over the prior year expense of approximately 10%. Vessel insurance coverage, as a part of the spare vessel program, is budgeted under the services category as all WETA vessels are being utilized by external operators through bareboat charters.

Miscellaneous Expense The FY 2010/11 budget for Miscellaneous Expense is \$103,000. This budget category includes items such as dues and subscriptions, travel and meetings, advertising, and other miscellaneous expenses. The increase in FY 2010/11 expenses for this category are due to establishing a Zip Car account for staff transportation to job sites and to support new transition marketing, advertising and outreach activities.

Leases and Rentals Leases and Rentals are budgeted to cost \$293,000 in FY 2010/11. This includes a full year of rent at the Pier 9 location as well as meeting facility rent, tenant improvements and equipment leases. The proposed FY 2010/11 amount includes annual inflationary increases stipulated in WETA's lease with the Port of San Francisco.

Operating Revenue

Regional Measure 2 The FY 2010/11 budget anticipates use of the full \$3.00 million Regional Measure 2 funds available to WETA to support annual administrative expenses in addition to \$1.95 million Regional Measure 2 operating funds to support expanded agency responsibilities associated with transitioning city-based services, supporting and maintaining spare vessels.

Other This revenue category includes \$15,000 in interest revenue.

FY 2009/10 CAPITAL PROGRAM OF PROJECTS

2 Spare Vessels	This \$17.00 million project includes construction of 2 new vessels to be used to support Authority and other Bay Area spare vessel needs. Work associated with this project includes vessel construction and delivery, construction management, inspection services and purchase of spare parts. Construction and delivery of these vessels was completed in May 2009 and the final progress payment for vessel construction was made in May 2010. The remaining expenditure of \$80,000 included in the proposed FY 2010/11 budget relates to the purchase of spare parts for these vessels.
SSF Vessels	This \$20.50 million project will construct two 199 passenger-only ferry vessels and purchase spare parts for use in Authority services. Construction and delivery of these vessels will be completed in May 2010. Proposed FY 2010/11 expenditures, totaling \$2.90 million, support purchase of spare parts, inspections, and final progress payments for vessel construction due one year after vessel acceptance.
SSF Permitting/ Mitigation Study	This \$275,000 project includes funds to support oyster monitoring studies in Oyster Point as required by the SSF EIR mitigation plan and as approved by the Board in May 2007.
SSF Terminal Construction	This \$26.00 million project is for the construction of SSF terminal and related facilities at the Oyster Point Marina, as well as vessel compatibility improvements to the Oakland docking facility. Staff expects to award the remaining two construction contracts associated with this project during the remainder of FY 09/10. Proposed FY 2010/11 expenditures, totaling \$15.80 million, relate to payments for these two final construction contracts. Construction is slated to take 12 to 18 months, with service starting in Fall 2011.
Berkeley Environmental	This \$1.78 million project includes development of the environmental studies for the Berkeley ferry terminal and service. An integral part of this work is development of the conceptual design for the proposed terminal and site. Environmental and conceptual design contracts were awarded in September 2005 and April 2006, respectively, and revised by the Board in September 2006 to expand the number of sites studied as a part of the environmental process. The Notice of Determination/Record of Decision is expected by November 2010, and would close out this project.
Berkeley Terminal Design	Moving this project forward is dependent upon the outcome of the Environmental review process for the Berkeley ferry service, and Board action to move the project to design. The Final environmental document and FTA certification is expected in December 2010. Staff will then move forward to seek bids for final design services, which is anticipated to cost approximately \$3.20 million, with FY 2010/11 expenditures estimated at \$1.50 million.

Hercules Environmental	This \$1.08 million project includes development of a conceptual terminal design and layout and completing environmental studies related to the Hercules ferry terminal and associated multi-modal transit facilities. Environmental and conceptual design contracts were awarded in April 2006. It is anticipated that the administrative draft of the EIR/EIS will be completed by July 2010 and that the final environmental document can be considered for certification by December 2010. FY 2010/11 proposed expenditures will support the completion of the final environmental document.
Pier 9 Mooring/ Floats	This \$2.75 million project includes design and implementation of mooring improvements/floats in order to enable vessels to dock at the Pier 9 administration/operations facility. Staff anticipates awarding the construction contract in July 2010 with construction scheduled to be complete by the end of FY 2010/11.
Environmental Studies/ Conceptual Design	This \$3.00 million project supports development of environmental studies and related conceptual design work for the development of new ferry terminals and services from the cities of Redwood City, Richmond, Antioch and Martinez, consistent with the Water Transit Authority's IOP approved by the Board in July 2003. This work involves examining the physical, environmental, social, transportation, air and energy impacts of locating ferry terminals at specific locations. Contracts for this work were awarded in Fall 2008, and work was stopped shortly thereafter as the result of the suspension of Proposition 1B funding. The Authority has not restarted these projects as a result of lengthy delays in reimbursement of Proposition 1B funds, however, now that these funds are available the Authority will re-initiate these projects starting in FY 2010/11.
Central Bay Ops/ Maintenance Facility	This project supports the landside planning, investigation and development of a central bay operations and maintenance facility at Alameda Point to support existing East Bay services currently planned for transition to WETA, as well as future expansion services. This facility would support light maintenance, mooring, basic fueling, dispatch, operations. EOC needs and provide access to a 19-day supply of fuel. Anticipated work for FY 2010/11 includes finalizing the environmental study, with final design scheduled to be complete by the beginning of next fiscal year.
Maintenance Barge, Floats & Ramps	This supports the purchase/construction of floats and ramps to support system maintenance and operation needs, and will provide core support infrastructure for existing and future regional ferry services. \$1.25 million in expense is budgeted in FY 2010/11 to support initial investigation, planning and purchase activities associated with this project.

SF Berthing – Environmental This project supports the environmental and conceptual design work associated with expanding the berthing capacity at the San Francisco ferry building, to serve expansion routes and to provide additional emergency response capacity. This project would be developed and implemented as a joint effort between WETA and the Port of San Francisco; as the property owner. Proposed FY 2010/11 expenditures will support the first half of environmental and preliminary design services for this project.

Capital Revenues

Regional Measure 2 \$1.29 million Regional Measure 2 capital funds are budgeted to support WETA's capital planning and construction activities, supporting 4.5% of the planned FY 2010/11 project expenses.

San Mateo Sales Tax San Mateo Measure A sales tax funds in the amount of \$10.89 million is budgeted to be used in FY 2010/11 to support construction of the SSF ferry terminal. A funding agreement was executed with the SMCTA for these funds in May 2009.

Federal Federal capital construction funds in the amount of \$4.60 million are available from the Ferry Boat Discretionary program and SAFETEA-LU earmarks to support the construction of the SSF terminal and vessels.

State Proposition 1B \$11.70 million State Proposition 1B funds are budgeted to support the majority of the WETA's capital program of projects, and 41% of the entire program expenses.

Fiscal Impact

This item establishes the work plan and related annual expenses for FY 2010/11.

END

Attachment 1

San Francisco Bay Area Water Emergency Transportation Authority FY 2010/11 Budget

Expenses

	FY 2008/09 Actual	FY 2009/10 Budget	FY 2009/10 Estimate	FY 2010/11 Proposed
Operating	3,904,000	4,620,000	4,515,893	4,950,000
Capital	11,935,613	35,610,992	8,630,603	28,529,600
Total Expense	15,839,613	40,230,992	13,146,496	33,479,600

Revenues

	FY 2008/09 Actual	FY 2009/10 Budget	FY 2009/10 Estimate	FY 2010/11 Proposed
Regional Measure 2 (RM2) Planning	3,678,698	4,620,000	4,489,693	4,950,000
Regional Measure 2 (RM2) Capital	10,712,554	5,791,352	3,037,505	1,290,975
Federal	1,159,664	4,174,100	3,231,205	4,638,942
San Mateo Sales Tax	-	8,653,950	476,180	10,892,865
State Proposition 1B	63,395	16,991,590	1,885,713	11,706,818
SUASI	173,802	-	26,200	-
Other	86,143	30,000	14,400	15,000
Total Revenues	15,874,256	40,260,992	13,160,896	33,494,600

Attachment 1

San Francisco Bay Area Water Emergency Transportation Authority FY 2010/11 Operating Budget

Expenses

	FY 2008/09 Actual	FY 2009/10 Budget	FY 2009/10 Estimate	FY 2010/11 Proposed
Wages & Fringe	1,294,000	1,590,000	1,493,000	1,613,000
Services	2,176,000	2,490,000	2,474,893	2,798,000
Materials and Supplies	29,000	92,500	125,000	87,000
Utilities	13,000	17,000	15,000	19,000
Insurance	30,000	35,000	29,000	37,000
Miscellaneous	66,000	95,500	94,000	103,000
Leases and Rental	296,000	300,000	285,000	293,000
Total Expense	3,904,000	4,620,000	4,515,893	4,950,000

Revenues

	FY 2008/09 Actual	FY 2009/10 Budget	FY 2009/10 Estimate	FY 2010/11 Proposed
Regional Measure 2	3,678,698	4,620,000	4,489,693	4,950,000
SUASI	173,802	-	26,200	-
Other	86,143	30,000	14,400	15,000
Total Revenues	3,938,643	4,650,000	4,530,293	4,965,000

Attachment 1

San Francisco Bay Area Water Emergency Transportation Authority FY 2010/11 Capital Budget

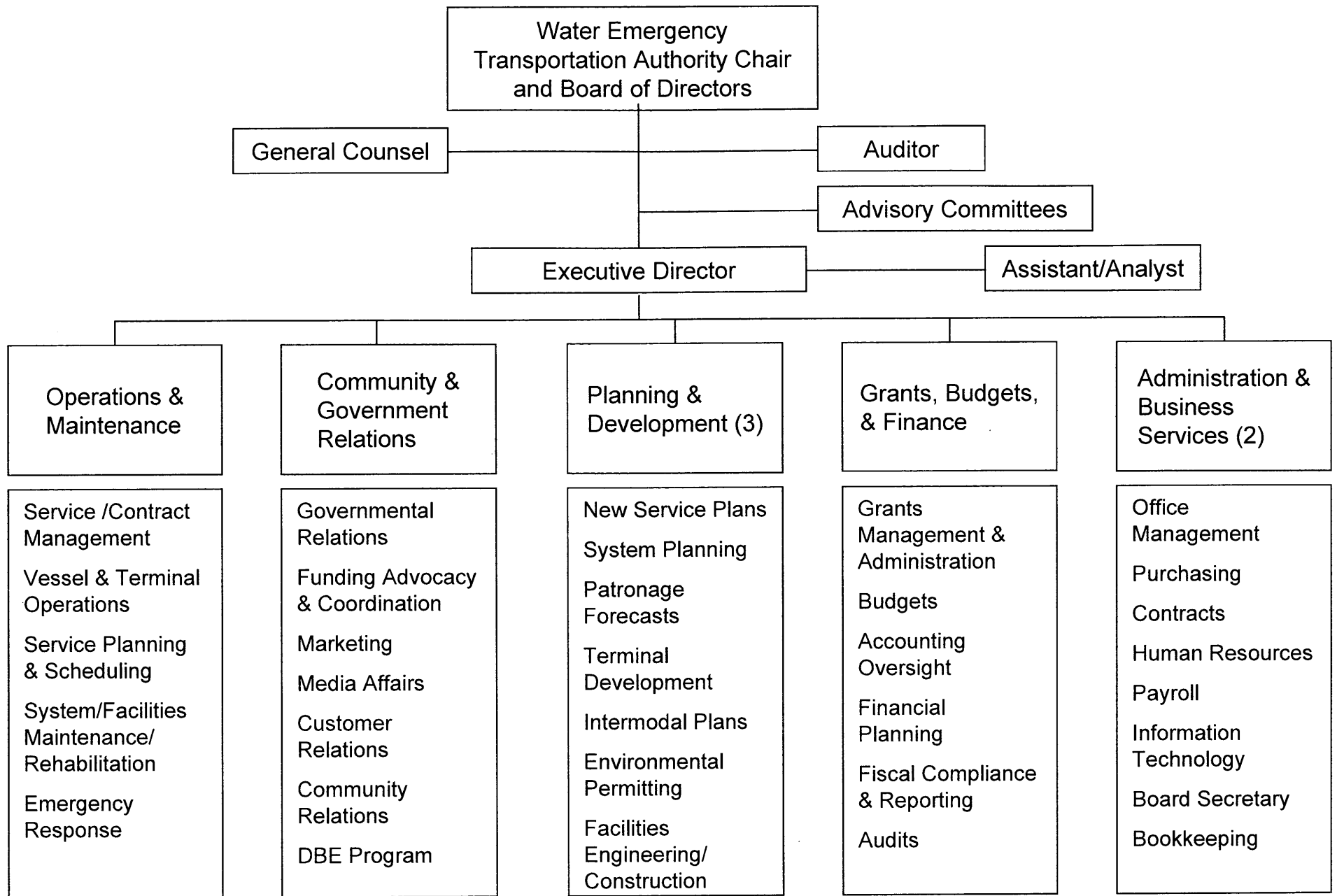
Expenses

Project Description	Total Project	Prior Years	FY 2009/10 Budget	FY 2009/10 Estimate	FY 2010/11 Budget	Future Year(s)
Continuing Projects						
2 Spare Vessels	17,000,000	16,758,497	241,503	161,503	80,000	-
South San Francisco Service						
<i>SSF Vessels</i>	20,500,000	11,441,900	7,000,000	6,158,100	2,900,000	-
<i>SSF Permitting/Mitigation Studies</i>	275,000	35,584	100,000	9,416	50,000	180,000
<i>SSF Terminal Construction</i>	26,000,000	-	15,000,000	1,591,000	15,815,000	8,594,000
Subtotal South San Francisco Service	46,775,000	11,477,484	22,100,000	7,758,516	18,765,000	8,774,000
Berkeley Environmental/Conceptual Design	1,954,700	1,490,236	292,461	249,464	131,000	84,000
Berkeley Terminal Design	3,200,000	-	1,500,000	-	1,500,000	1,700,000
Hercules Environmental/Conceptual Design	1,080,000	902,764	171,984	56,236	121,000	-
Pier 9 Mooring / Floats	2,750,000	366,139	2,512,438	180,878	2,203,000	-
Environmental Studies/Conceptual Design	3,250,000	56,000	1,500,000	-	2,120,000	1,074,000
Central Bay Ops/Maint Facility - Environ/Design	2,600,000	7,394	2,592,606	224,006	859,600	1,509,000
Maintenance Barge, Floats & Ramps	5,000,000	-	3,500,000	-	1,250,000	3,750,000
S.F. Berthing - Environ/Conceptual Design	2,500,000	-	1,200,000	-	1,500,000	1,000,000
Total Project Expense	86,109,700	31,058,514	35,610,992	8,630,603	28,529,600	17,891,000

Revenues

Funding Source	Total Project	Prior Years	FY 2009/10 Budget	FY 2009/10 Estimate	FY 2010/11 Budget	Future Year(s)
Regional Measure 2	32,881,735	28,289,255	5,791,352	3,037,505	1,290,975	264,000
San Mateo County Sales Tax	15,000,000	-	8,653,950	476,180	10,892,865	3,630,955
Federal Funds	14,407,533	2,705,864	4,174,100	3,231,205	4,638,942	3,831,523
State Proposition 1B	23,820,432	63,395	16,991,590	1,885,713	11,706,818	10,164,523
Total Revenues	86,109,700	31,058,514	35,610,992	8,630,603	28,529,600	17,891,000

Attachment 2



MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Filing Applications with the Metropolitan Transportation Commission for \$4.95 Million FY 2010/11 Regional Measure 2 Operating Funds

Recommendation

Authorize filing applications with the Metropolitan Transportation Commission (MTC) for a total of \$4.95 million for FY 2010/11 Regional Measure 2 (RM2) operating funds and authorize the Executive Director to execute the associated agreements.

Background

On March 2, 2004, voters passed Regional Measure 2 (RM2), raising the toll for all vehicles on the seven State-owned toll bridges in the San Francisco Bay Area, by \$1.00. This extra \$1.00 is to fund various transportation projects within the region. RM2 provides funding for both capital projects and operating support for a number of transit services. These projects are identified in Section 30914(c) and (d) of the California Streets and Highways Code (S&HC). MTC's RM2 Policies and Procedures require agencies eligible to receive RM2 operating funds to formally submit an application for these funds.

Discussion

WETA is eligible to receive annually allocation of RM2 operating funds to support general agency planning, management and administration activities. As identified in the FY 2010/11 operating budget, RM2 operating funds will be required to support general office functions associated with WETA's ferry transportation expansion program (\$3.00 million). RM2 operating funds are also required to support activities and expenses associated with continued work on finalizing service transition activities (\$1.00 million) and WETA spare vessels (\$0.95 million).

WETA's FY 2010/11 RM2 applications for these funds are attached, including the RM2 Operating Assistance Proposals, provided as **Attachment 1**, required Certifications and Assurances, provided as **Attachment 2** and Board resolution. The Board resolution contains the following key items:

- Grants the Executive Director, or her designee, authority to execute the allocation request and transmit it to MTC;
- Assures MTC that there is no legal impediment for the Authority to make this request and that there is no pending or threatened litigation;
- Commits WETA to follow MTC's procedures for seeking allocation and reimbursement of funds; and
- Indemnifies MTC against claims resulting from performance of services funded with this allocation. This is consistent with language required of other grant agreements and does not shift any new risk to the WETA.

As a part of the overall budget development, staff is working on a budget plan for additional FY 2010/11 work activities including agency cashflow, agency reserve requirements and Vallejo and/or Alameda operating needs which would be funded with the balance of RM2 operating funds available to WETA. An additional RM2 operating application for these funds will be brought forward next month.

Fiscal Impact

This item supports the application with MTC for \$4.95 million RM2 operating funds to support WETA's operating budget in FY 2010/11.

END

Attachment 1

Regional Measure 2 Operating Assistance Proposal Project Summary Page

Project Information

Project

Title:

Briefly describe service (provide map as attachment). Include information about markets being served (both travel demand as well as interoperator connections).

Brief

Description:

This project provides funding to support ongoing San Francisco Bay Area Water Emergency Transportation Authority (WETA) planning and administration activities related to developing future ferry services on the San Francisco Bay.

	Start Time	End Time	Headways		Vehicles in service		Daily Rev Veh Hrs
			Peak	Off-peak	Peak	Off-peak	
Weekday							
Saturday							
Sunday							

Lead Agency:

Partnering Agency 1:

Partnering Agency 2:

Contact Information

first name last name

phone fax e-mail

address 1
address 2

city state zip

Attachment 1

Regional Measure 2 Operating Assistance Proposal

Implementation Status

Proposed Service Start date	<input type="text" value="7/1/2009"/>
Environmental Clearance:	
Type <input type="text" value="N/A"/>	Actual or expected date <input type="text" value="N/A"/>

Related Capital Funding

Please identify and discuss any capital funding requests that are needed to accompany the operating plan identified below. For example, please list related projects and legislated project numbers as appropriate and date of most recent IPR submittal.

Attachment 1

Regional Measure 2 Operating Assistance Proposal Operating Plan, Service Parameters, and Performance Measures

Enter the amount needed in each program year.
Use State fiscal years (July 1 - June 30).

Operating Plan - Request for RM2 Funds

	Past Actual FY 05-06	Current Year Adjusted FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	Total
Operating Budget								
Estimated Annual Revenue Hrs.								-
Estimated Operating Cost/Revenue Hour								-
Total Operating Cost	-	-	-	-	-	3,000,000	-	3,000,000
-- Fare Revenue						-		
-- RM 2 Operating Assistance Request						3,000,000		3,000,000
-- TDA								-
-- Local Sales Tax								-
-- Private Sector Contributions								-
-- Other Subsidy								-
Total Subsidy	-	-	-	-	-	3,000,000	-	3,000,000
Total Revenues	-	-	-	-	-	3,000,000	-	3,000,000
Surplus/(Deficit)	-	-	-	-	-	-	-	-

Service Parameters

	Past Actual FY 05-06	Current Year Adjusted FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	Total
Estimated Annual Ridership						n/a		-
Average Weekday Ridership						n/a		
Annual Revenue Hours						n/a		
Annual Revenue Miles						n/a		

Performance Measures

	Past Actual FY 05-06	Current Year Adjusted FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	Average
Required Measures Per MTC Resolution 3668								
Farebox Recovery Ratio						n/a		
Passengers/Revenue Hour						n/a		
Change in Passenger Per Hour						n/a		
Other Measures								
Cost Per Rider						n/a		
Subsidy Per Rider						n/a		
Cost Per Revenue Hour						n/a		

Attachment 1

Regional Measure 2 Operating Assistance Proposal Project Summary Page

Project Information

Project Title:	<input style="width: 95%;" type="text" value="WETA Ferry Operations"/>						
Brief Description:	<p><i>Briefly describe service (provide map as attachment). Include information about markets being served (both travel demand as well as interoperator connections).</i></p> <div style="border: 1px solid black; padding: 5px; min-height: 150px;"> <p>This project provides funding to support ongoing incremental operating expense associated with utilizing WETA's four vessels in existing regional ferry services, and implementation and support for the Transition and Emergency Water Transportation System Management Plans.</p> </div>						
			Headways		Vehicles in service		Daily Rev
	Start Time	End Time	Peak	Off-peak	Peak	Off-peak	Veh Hrs
Weekday							
Saturday							
Sunday							
Lead Agency:	<input style="width: 100%;" type="text" value="WETA"/>		Partnering Agency 1:	<input style="width: 95%;" type="text"/>			
			Partnering Agency 2:	<input style="width: 95%;" type="text"/>			

Contact Information

<input style="width: 95%;" type="text" value="Lynne"/>	<input style="width: 95%;" type="text" value="Yu"/>		
first name	last name		
<input style="width: 25%;" type="text" value="(415) 364-3193"/>	<input style="width: 25%;" type="text" value="(415) 291-3388"/>	<input style="width: 50%;" type="text" value="yu@watertransit.org"/>	
phone	fax	e-mail	
address 1	<input style="width: 95%;" type="text" value="Pier 9, Suite 111, The Embarcadero"/>		
address 2	<input style="width: 95%;" type="text"/>		
	<input style="width: 40%;" type="text" value="San Francisco,"/> city	<input style="width: 10%;" type="text" value="CA"/> state	<input style="width: 15%;" type="text" value="94111"/> zip

Attachment 1

Regional Measure 2 Operating Assistance Proposal

Implementation Status

Proposed Service Start date	<input type="text" value="7/1/2009"/>
Environmental Clearance:	
Type <input type="text" value="N/A"/>	Actual or expected date <input type="text" value="N/A"/>

Related Capital Funding

Please identify and discuss any capital funding requests that are needed to accompany the operating plan identified below. For example, please list related projects and legislated project numbers as appropriate and date of most recent IPR submittal.

Attachment 1

Regional Measure 2 Operating Assistance Proposal Operating Plan, Service Parameters, and Performance Measures

Enter the amount needed in each program year.
Use State fiscal years (July 1 - June 30).

Operating Plan - Request for RM2 Funds

				Past Actual FY 08-09	Current Year Adjusted FY 09-10	FY 10/11	FY 11/12	Total
Operating Budget								
Estimated Annual Revenue Hrs.								-
Estimated Operating Cost/Revenue Hour								-
Total Operating Cost	-	-	-	725,952	1,620,000	1,950,000	-	4,295,952
-- Fare Revenue						-		
-- RM 2 Operating Assistance Request				725,952	1,620,000	1,950,000		4,295,952
-- TDA								-
-- Local Sales Tax								-
-- Private Sector Contributions								-
-- Other Subsidy								-
Total Subsidy	-	-	-	725,952	1,620,000	1,950,000	-	4,295,952
Total Revenues	-	-	-	725,952	1,620,000	1,950,000	-	4,295,952
Surplus/(Deficit)	-	-	-	-	-	-	-	-

Service Parameters

	Past Actual FY 05-06	Current Year Adjusted FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	Total
Estimated Annual Ridership				n/a	n/a	n/a		-
Average Weekday Ridership				n/a	n/a	n/a		
Annual Revenue Hours				n/a	n/a	n/a		
Annual Revenue Miles				n/a	n/a	n/a		

Performance Measures

	Past Actual FY 05-06	Current Year Adjusted FY 06-07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	Average
Required Measures Per MTC Resolution 3668								
Farebox Recovery Ratio				n/a	n/a	n/a		
Passengers/Revenue Hour				n/a	n/a	n/a		
Change in Passenger Per Hour				n/a	n/a	n/a		
Other Measures								
Cost Per Rider				n/a	n/a	n/a		
Subsidy Per Rider				n/a	n/a	n/a		
Cost Per Revenue Hour				n/a	n/a	n/a		

Attachment 2

RM-2 Operating Assistance Application Certifications

FY 2010-11

Operator: San Francisco Bay Area Water Emergency Transportation Authority

Submittal Date: May 6, 2010


Project: WETA Annual Planning & Administration and Operating

ENTER an "X" in the yellow cell to the left of each required certification

This form must be signed and dated

X	A.	Applicant certifies that, if RM-2 funding was received in FY 2009-10 , it has included the RM-2 costs and revenues in its general fiscal audit for that year. Applicant also assures that it will include the RM-2 costs and revenues in its general fiscal audit which will be completed for FY 2010-11 .
	B.	Applicant certifies to one of the following:
n/a	a.	If Applicant is a bus operator, it certifies that it has submitted a copy of the California Highway Patrol (CHP) certification which was issued within the last 13 months indicating compliance with Cal. Veh. Code, §1808.1 (CHP "pull notice system and periodic reports"). (Pub. Util. Code §99251).
X	b.	If Applicant is a ferry operator, it certifies that it is current on all inspections and certifications required by federal and state agencies.
n/a	C.	Applicant certifies that it has current SB 602 "joint fare revenue sharing agreements" in place with transit operators in the MTC region with which its service connects, and that it has submitted copies of all such agreements to MTC.
X	D.	Applicant agrees to participate in studies on Integrated Fare Structures and Transit Connectivity which are required under SB 916.
X	E.	Applicant certifies that it complies with MTC's Transit Coordination Implementation Plan (MTC Resolution No. 3055, revised). (Public. Util. Code §99314.5(c) and §99314.7).

The undersigned attests that the certifications indicated above are true and correct, and further attests to the applicant's intent to comply with the indicated certifications.

Authorized Representative Signature: 

Name: Nina Rannells

Title: Executive Director

Date: 05/06/10

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Amendment No. 9 to the Agreement with the Association of Bay Area Governments for the Provision of Accounting Support Services

Recommendation

Approve Amendment No. 9 to the agreement with the Association of Bay Area Governments (ABAG) in the amount of \$95,000 for the provision of accounting support services for FY 2010/11 and authorize the Executive Director to execute the amendment.

Background

On March 22, 2001, the Water Transit Authority (WTA) Board approved an agreement with ABAG to manage its fiscal affairs in conformance with accepted state government accounting practices. This agreement transferred over to the Water Emergency Transportation Authority (WETA) upon its creation on January 1, 2008.

Discussion

The annual ABAG agreement includes fiscal services to process and pay invoices, keep WETA's accounting records, provide advice on financial accounting matters and provide for required independent financial audit work. In FY 2010/11, this will include the services of independent auditor Maze & Associates Accountancy Corporation to conduct WETA's annual fiscal audit for FY 2009/10.

The advantages of this continued arrangement with ABAG include their knowledge of governmental accounting practices, their professional staff to manage audits, use of their accounting software system, independent review of invoices and check processing services. This also provides a cost saving over direct hiring of accounting personnel and implementation of financial software and provides for continuity of service.

Staff and ABAG have estimated that \$95,000 will be required for these services next fiscal year and staff is requesting Board approval of a contract amendment in this amount for services to be provided through June 30, 2011. WETA will only be charged for the actual use of these services.

Fiscal Impact

The award of these services would commit WETA to up to \$95,000 for these services in FY 2010/11, consistent with the proposed FY 2010/11 operating budget.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director

SUBJECT: Approve Amendment No. 13 to the Agreement with Nossaman, LLP for the Provision of Legal Services

Recommendation

Approve Amendment No. 13, in the amount of \$650,000, to the agreement with Nossaman, LLP for the provision of legal services in FY 2010/11 and authorize the Executive Director to execute the amendment.

Background

The Authority's enabling statute requires the employment of general counsel to manage its legal affairs. In August 2004, the San Francisco Bay Area Water Transit Authority authorized Nossaman, LLP to serve as its general counsel and established a process for bringing forward annual budget amendments to cover services anticipated each fiscal year. In January 2008, this contract transferred to the San Francisco Bay Area Water Emergency Transportation Authority upon its creation. Annual legal expenses have ranged from \$140,000 in FY 2004/05 to \$800,000 in FY 2009/10, based upon the volume and complexity of legal issues facing the agency.

In addition to general agency and Board oversight, Nossaman LLP provides legal advice and support in a wide range of specialty areas including contract development, procurement process and document development, employment law and policy development, insurance requirements and real property transactions and provides research on special subjects as required.

Discussion

In considering WETA's work program for FY 2010/11, we have developed a legal budget totaling \$650,000 to support up-coming work activities. Staff anticipates that these funds would be spent to support activities in approximately the following amounts:

General Oversight	\$200,000
Capital Program	\$200,000
<u>Transition Activities</u>	<u>\$250,000</u>
Total	\$650,000

These major work activities and associated legal support activities are described further below.

General Oversight

This includes counsel for such ongoing items as general agency and Board governance, meeting attendance, legislative review, personnel matters and research of special subjects of interest or concern. Consistent with prior years, staff anticipates these general services to cost approximately \$200,000.

Capital Program Support

FY 2010/11 will be a significant year for WETA as we begin construction on our first terminal and berthing facility at Pier 9. We will also begin work on a number of environmental and system design projects including terminal studies, berthing expansion in San Francisco and

core maintenance and operations facilities. As we move forward with these projects, Nossaman will provide support services in a number of areas such as procurement process and proposal development, contract development and review of any protests or project issues. The legal work associated with these activities is budgeted at up to \$200,000.

Service Transition Activities

While significant work has been done in FY 2009/10 to define and address the specific transactional details associated with the Alameda service transfers, this work will continue into FY 2010/11 with a more specific focus on Alameda service contract and permit transfers and development of legal and business terms and transition documents for the Vallejo service transfer. Additional transition-related work that will require legal oversight in FY 2010/11 will include development of an RFP for consolidated operation of all transferred and new WETA ferry services. Legal work associated with these activities is budgeted at up to \$250,000.

Fiscal Impact

This contract amendment would commit the Authority to an amount up to \$650,000 for legal services for FY 2010/11, to be funded with approximately \$450,000 operating and \$200,000 capital funds.

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
Leamon Abrams, Manager, Public Affairs**

SUBJECT: Approve Amendment No. 9 to the Agreement with Lindsay, Hart, Neil & Weigler, LLP for the Provision of Federal Legislative Representation

Recommendation

Approve Amendment No. 9 to the agreement with Lindsay, Hart, Neil & Weigler, LLP (LHNW) to extend the term of their contract through FY 2010/11 for an amount of \$160,000 and to authorize the Executive Director to execute the amendment.

Background

The Water Transit Authority first approved the Lindsay contract on November 29, 2001 after a competitive selection process. This contract was transferred over to WETA upon its creation on January 1, 2008, and has been renewed annually to provide funding to continue this ongoing work. Over the years, LHNW has been successful at securing over \$25 million in federal funding commitments toward WETA projects and in working to increase overall federal transportation funding for ferry programs.

Discussion

Mr. Peter Friedmann and his staff will continue working on funding and other legislative issues in FY 2010/11, focusing on the following programs and priorities:

- Expanding programs/funds for ferry systems in the Federal Transportation Reauthorization legislation and securing high priority funding for WETA expansion, rehabilitation and replacement projects (currently in-process);
- Securing funding in the FY 2010/11 Transportation Appropriations programs for Berkeley terminal/vessels, Vallejo and Central Bay maintenance and operations facilities, San Francisco Berthing Expansion and other WETA projects;
- Monitoring security regulations impacting ferry and transit industries and identifying opportunities for federal funding to support emergency response projects, training and other activities; and
- Keeping staff apprised of significant events related to federal transportation funding.

Fiscal Impact

The award of these services would commit the Authority to contract expenses in an amount up to \$160,000 in FY 2010/11, consistent with the budget and prior year contracts.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve On-Call Marine Engineering Consulting Services List

Recommendation

Approve the following actions associated with the On-Call Marine Engineering Consulting Services:

- Approve the On-Call Marine Engineering consulting list; and
- Authorize the Executive Director to negotiate and execute individual agreement(s) on an as-needed, task order basis in an amount not to exceed \$100,000 per agreement per year and for a period of up to three years per agreement.

Background

With the retirement of WETA's previous Marine Engineer in January 2009, the agency shifted from having a full time engineer on staff to contracting for marine engineering services as needed. Due to the increased need for marine engineering services and expertise, the wide range of services required to support WETA's changing work program and the anticipated intermittent need for such services, staff believes that the most cost effective and efficient way to cover all potential engineering needs is to establish a list of qualified "on-call" consultants who specialize in a variety of marine engineering services.

Discussion

On April 1, 2010, the Board authorized staff to issue a Request for Qualifications (RFQ) for On-Call Marine Engineering consulting services. Selected consultants will possess knowledge of marine engineering as it applies to the design, maintenance and repair of ferry vessels and facilities. The scope of services identified in the RFQ included:

- Vessel and facility configurations
- Vessel and facility inspection services
- Propulsion and steering systems
- Related systems and equipment
- Preventative maintenance and repairs
- Vendor maintenance and repair oversight
- Warranty claims
- Environmental and regulatory compliance
- Life-cycle costing and value engineering
- Facility maintenance and repair protocols and procedures
- Other items as directed by WETA staff

On April 4, 2010, staff issued an RFQ to 394 firms on WETA's technical professional services consultant list through e-mail and further solicited interest through notices on WETA's website, consistent with the Authority's Administrative Code. WETA received seven Statements of

Qualifications (SOQs) in response to this RFQ. The SOQs for the following firms were reviewed by an evaluation panel that included WETA staff:

1. Art Anderson Associates
2. Ben C Gerwick, Inc
3. Culnane Maritime Consulting
4. Jonathan Elkin, Marine Consultant
5. KPFF
6. Moffatt & Nichol
7. Walther Engineering Services

Selection criteria as established within the RFQ included the following:

- Previous experience with similar projects
- Past success with managing all processes, procedures and paperwork for similar projects
- Qualifications of individual or team members
- Satisfaction of previous clients
- Project understanding and ability to work in a collaborative environment with other consultants, the contractor(s) regulatory and oversight agencies, etc. to help solve problems and deal in a constructive manner with issues and conflicts that may arise during the project
- DBE participation

All of the responses received were qualified in providing a variety of marine engineering services to support WETA's marine engineering needs. Based upon the information submitted and satisfactory references, the review panel recommends selecting all of the listed firms to be included in the on-call list for marine engineering services.

As specific services are required, staff will evaluate the most effective consultant for the task. These services would be acquired as needed and actual expenditures would be authorized on a task order basis within established annual budget limits.

Fiscal Impact

Funding for On-Call Marine Engineering consulting services is included in the proposed FY 2010/2011 operating budget and will also be included in future year budgets to support this contract award. Task order work in any given year will not exceed budgeted funds.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development

SUBJECT: Authorize Release of a Request for Qualifications (RFQ) for On-Call Planning Services

Recommendation

Authorize the release of a Request for Qualification (RFQ) for On-Call Planning Consulting Services to support WETA staff and program development.

Background/Discussion

WETA's work program consists of projects to expand water transit on the San Francisco Bay as set forth in the Implementation and Operations Plan, as well as work in support of transitioning and managing existing operating services as defined in the Transition Plan. The management of these projects requires a wide range of specialized knowledge and skills that are often needed in uneven and intermittent intervals and on short notice. Contracting with consultants to provide on-call services would allow full time WETA staff to access specialized planning services to effectively manage peak work loads and ensure the continuous development of all active projects in the WETA work program.

Staff believes that establishing a list of qualified on-call planning consultants represents the most cost effective and efficient way to manage the irregular workloads anticipated in the new fiscal year. This item would authorize the release of an RFQ for consultants to provide planning services on an on-call basis. Once a list of consultants is established and contracts are awarded, WETA would utilize consultants to perform work as needed, on a controlled task order basis. By beginning the RFQ process now, WETA can have contracts in place up front to ensure that both adequate labor and expertise will be available to meet the anticipated future needs of the WETA work program.

Staff anticipates that the selected consultant(s) would provide specialized technical support to WETA in such areas as:

- Route-specific and system-wide service, capital, and financial planning
- Agency strategic planning
- Issue-specific planning such as intermodal service delivery, facilities planning, and environmental analyses
- Project controls for capital development
- TransLink program implementation
- Surveys and data collection
- Due diligence (financial capacity) of contractors bidding on WETA projects

Consultant proposals will be reviewed by an evaluation committee and a recommendation for contract award(s) will be developed based upon the following selection criteria:

- Experience with similar projects
- References
- Qualifications
- Availability

Staff will return to the Board with a recommendation to establish a list of qualified on-call planning firms and authorize contract award(s) in July 2010.

Fiscal Impact

There is no fiscal impact associated with this item.

END

MEMORANDUM

TO: Board Members

**FROM: John Sindzinski, Manager, Planning & Development
Nina Rannells, Executive Director**

SUBJECT: Authorize Release of Requests for Qualifications (RFQ) for Ferry Terminal Design Services

Recommendation

Authorize the release of a Request for Qualifications (RFQ) for design services in support of the environmental reviews required to construct new ferry terminals in the cities of Antioch, Martinez, Richmond and Redwood City.

Background

WETA's plans to expand water transit on the San Francisco Bay include construction of new ferry terminals in the cities of Antioch, Martinez, Richmond and Redwood City, as set forth in the Final Implementation and Operations Plan approved by the State legislature in 2003. The initial work for each project will involve the preparation of independent environmental reviews in compliance with CEQA and NEPA requirements and preparation of a Final Environmental Impact Report/Study (EIR/S). In June 2008, WETA awarded contracts to four firms, including PBS&J (Richmond), ESA & Associates (Antioch), URS (Martinez) and Circle Point (Redwood City), to conduct these four environmental assessments. Work on this effort began in Fall 2008, but was put on hold in December 2008 when Proposition 1B funds were frozen. Now that Proposition 1B funds are available again, staff is working with the four environmental consulting firms to re-start this work. This item would authorize beginning the process to secure the required complementary conceptual design services required to inform the preparation and completion of these environmental reviews.

Discussion

This item authorizes the release of a RFQ to provide design services for ferry terminals in Antioch, Martinez, Richmond and Redwood City. Consultants will be allowed to submit proposals for any single project or combination of multiple projects. The RFQ will include conceptual design services with options to provide preliminary (60%) and final (100%) design services. Selection of contractors will be based on project approach, qualifications, references, financial capacity, ability to meet project schedule and related factors. If approved, staff anticipates the following schedule:

Issue both RFQs:	June 2010
Board Award of Contracts:	August 2010
Issue Notice to Proceed:	October 2010
Concept Design Complete:	February 2011

Fiscal Impact

The release of these documents does not commit the agency to make an award, which will be the matter of subsequent Board actions. The total estimated cost for these design services is approximately \$1,000,000 (\$250,000/project) and is funded with FY 2008-09 Proposition 1B funds.

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
John Sindzinski, Manager, Planning & Development**

SUBJECT: Rescind Contract Award to C2PM and Award Contract to Ghirardelli Associates for Construction Management Services for Pier 9 Berthing Facility Project

Recommendation

Authorize the following actions relating to construction management services for the Pier 9 Berthing Facility Project:

- 1) Rescind contract award to C2PM for construction management services and authorize Authority staff to formally terminate negotiations with this firm; and
- 2) Approve award of contract to Ghirardelli Associates for construction management services for a total amount not to exceed \$175,000, and authorize the Executive Director to seek to negotiate and execute a satisfactory agreement for these services.

Background

The Pier 9 Berthing Facility will consist of two layover berths along the north side of Pier 9, adjacent to the WETA administrative offices. The facility will include two side-tie berths that utilize floats and access ramps to moor up to two out-of-service WETA 118' catamaran vessels. The layover berths are not intended for passenger service or as a base for staging daily operations. These facilities would initially be used at Pier 9 but could be relocated for use in emergency response situations or as the agency evolves and other operating facilities are built.

On February 4, 2010, the Board authorized staff to issue a Request for Qualifications (RFQ) for construction management services for the Pier 9 Berthing Facility Project and also authorized issuing a separate RFP for project construction. Staff intends to hire a construction management firm prior to release of an RFP for project construction in order that the construction management firm may assist with this procurement.

On February 10, 2010, staff issued an RFQ for construction management services to 410 firms on the WETA's technical consultant list through email and further solicited interest through notices on the website consistent with WETA's Administrative Code. A total of four Statement of Qualifications (SOQ) were received in response to the RFQ. The SOQs were reviewed by an evaluation panel that included WETA staff, as well as the Project Principal from Moffatt & Nichol, the design consultant for this project. The review panel determined that proposals from two firms, Ghirardelli Associates and C2PM Program & Construction Managers, were superior and requested that each firm provide additional information regarding their qualifications and proposals through oral interviews. These interviews were conducted on March 25, 2010.

Based upon the proposals submitted and supplemental interviews, the review panel recommended selecting C2PM to provide construction management services for this

project. On April 1, 2010, the Board approved, by resolution, a contract award to C2PM for construction management services for the Pier 9 Berthing Facility Project and authorized the Executive Director to negotiate and execute an agreement for these services, based on recommendations by staff that C2PM was the best qualified firm.

Discussion

Staff entered into good faith negotiations with C2PM to execute a contract agreement to provide construction management services for the Pier 9 Berthing Facility project following Board approval to award a contract, but has been unable to negotiate a satisfactory contract with this firm. Pursuant to the Authority's Administrative Code, procurements for professional services must comply with the provisions of California Government Code Section 4526 et seq. (the "Little Brooks Act"). In accordance with Section 4528 of the Little Brooks Act, if the Authority is unable to negotiate an acceptable contract with the firm determined to be best qualified, it may formally terminate negotiations with that firm and commence negotiations with the next most qualified firm.

Staff has determined that it will be unable to negotiate an acceptable contract for construction management services with C2PM and recommends that that Board rescind award of a contract to C2PM for this work and authorize staff to formally terminate negotiations. In accordance with provisions of the Little Brooks Act, the Authority has the option to commence negotiations with the next most qualified firm, Ghirardelli Associates. Staff recommends that the Board utilize this option and approve award of a contract to Ghirardelli Associates for construction management services.

Ghirardelli Associates was selected as the second most qualified firm for this work by the evaluation panel following oral interviews on March 25, 2010. Staff is confident that this firm is qualified to perform the work based on its proposal and qualifications. Additionally, Ghirardelli Associates has a proven track record of providing reliable construction management services to WETA for demolition and dredging work, as well as assistance in RFP procurements for construction work for the South San Francisco ferry terminal project.

The work scope for the proposed contract with Ghirardelli Associates will remain the same and include assisting with the procurement of the construction contractor and serving as the "owner's representative" during project construction. Specific work tasks will include securing all requisite documentation from the chosen contractor, monitoring the contractor's performance against the plans and specifications set forth in the construction RFP, assuring that the contractor's monthly invoices are accurate and fairly represent work accomplished, overseeing safety and compliance with environmental safeguards while the construction is underway and completing project closeout activities. The recommended contract award is for an amount not to exceed \$175,000 with work to be managed and completed based upon task orders issued by WETA staff within this overall contract limit.

Fiscal Impact

This project is included in the FY 2009/10 Capital Budget and is funded with Regional Measure 2 funds.

END