



Members of the Board

Charlene Haught Johnson, Chair
Anthony J. Intintoli, Jr., Vice Chair
Gerald Bellows
Beverly Johnson
John O'Rourke

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

Thursday, February 5, 2009, 1:00 P.M. to 4:00 P.M.
Alameda City Hall West
950 W Mall Square (between Lexington & Saratoga), Room 201
Alameda

NOTE: LOCATION CHANGE

A supplemental materials 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 COMMENT The Water Emergency Transportation Authority welcomes comments from the public. Speakers' cards and a sign-up sheet are available. Please forward completed speaker cards 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 | |
| 6. <u>CONSENT CALENDAR</u> | Action |
| a. Minutes of January 8, 2009 | |

**Water Emergency Transportation Authority
February 5, 2009 Meeting of the Board of Directors**

7. INFORMATIONAL PRESENTATION *Information*
a. Treasure Island Redevelopment Plan
8. UPDATE ON ECONOMIC RECOVERY PROGRAM *Information/Action*
9. APPROVE THE THREE PARTY AGREEMENT REGARDING DISTRIBUTION AND USE OF SAN MATEO COUNTY MEASURE A FUNDS FOR FERRY SERVICE BETWEEN SOUTH SAN FRANCISCO AND OAKLAND *Action*
10. RECESS INTO CLOSED SESSION
- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS *Action*
Property: Vallejo/Alameda Ferry Facilities *To Be Determined*
Agency Negotiators: Jon Stanley, Nina Rannells and John Sindzinski, San Francisco Bay Area Water Emergency Transportation Authority
Negotiating Parties: Cities of Vallejo and Alameda
Under Negotiation: Terms of Transition
- b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS *Action*
Property: Oyster Point Marina Terminal Facility *To Be Determined*
Agency Negotiators: Jon Stanley, Nina Rannells and John Sindzinski, San Francisco Bay Area Water Emergency Transportation Authority
Negotiating Parties: City of South San Francisco, San Mateo County Harbor District. State Department of Boating and Waterways
Under Negotiation: Lease terms
- c. PUBLIC EMPLOYEE APPOINTMENT *Action*
Title: Interim Executive Director *To Be Determined*
11. REPORT OF ACTIVITY IN CLOSED SESSION *Action*
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. *To Be Determined*
12. OPEN TIME FOR PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

ADJOURNMENT

TOUR OF BAY SHIP & YACHT

Information

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.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(January 8, 2008)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the City Council Chambers in the Berkeley Unified School District Administration Building, Berkeley, CA.

1. ROLL CALL AND CALL TO ORDER

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

2. REPORT OF BOARD CHAIR

Chair Johnson introduced Berkeley Councilmember Laurie Capitelli, who welcomed the board on behalf of Mayor Tom Bates. Mr. Capitelli noted that Berkeley was looking forward to the project moving ahead and that he and many others were excited about the possibility of bringing ferry service to Berkeley.

Chair Johnson then reviewed the christening celebrations held for *Gemini* on December 12, noted the dignitaries who spoke and the success of the christening and open house. She said that *Gemini* was already in service and asked Chief Engineer Mary Culnane for details. Ms. Culnane stated that *Gemini* was currently serving Tiburon on a morning run and anticipated that *Gemini's* service to Alameda and Oakland would begin by the end of January.

Lastly, Chair Johnson noted that Ms. Culnane had resigned. She noted that Ms. Culnane was largely responsible for WETA's first four boats. She thanked her for her service to WTA and WETA and wished her success in her future endeavors.

3. REPORT OF DIRECTORS

None.

4. REPORTS OF STAFF

Executive Director Jon Stanley updated the board on the status of the Transition Plan, noting that WETA had completed the internal draft Transition Plan on December 31, on schedule. He added that an additional internal staff review was underway with the expectation that WETA would provide the draft to the Core Team in the 3rd week of January, in preparation for a Core Team review meeting the last week of January.

Chair Johnson asked when the board would see the draft. Mr. Stanley proposed a special meeting of this Board the 3rd week in February to brief the Board on the draft and also to commence the 45 day public comment period. He also noted that public meetings to be held in Vallejo, Alameda, and San Francisco would be conducted during this 45 day period and that comments would then be incorporated into the draft Transition Plan. He added that a final draft Transition Plan would then be presented to the Board at the May meeting after which comments

and revisions would be incorporated into a final Transition Plan presentation and adoption at the June meeting.

Mr. Stanley noted that WETA has continued to hold meetings with Vallejo, Alameda and the Ports of Oakland and San Francisco and would continue that dialogue as WETA completes the Plan. He added that he hoped to be meeting individually with board members over the upcoming weeks to provide a brief overview of progress to date and the issues ahead.

Mr. Stanley added that as the Board was already aware, WETA had received a letter from the State Office of Homeland Security Grants Management Division which suspended Proposition 1B funding as of December 15, 2008. He noted that the funding for WETA's lease payment for the South San Francisco terminal project was to come from Prop 1B funds, and that as a result, the project had been placed on hold pending the outcome of the negotiations in Sacramento.

Mr. Stanley pointed out that WETA's Sacramento representative, Barry Broad, was in attendance and had been working with staff to draft legislation to require accelerated allocation of Prop 1B funds to agencies such as WETA once projects are determined to be eligible to receive the grant and added that Fiona Ma had agreed to carry this bill forward for WETA.

Mr. Stanley noted that ANG newspapers had published a piece titled "The Bay Highway" and that copies of the version of the article that appeared in the Oakland Tribune were available at the meeting.

Mr. Stanley closed with acknowledgment and thanks to Mary Culnane for her dedicated service to WTA/WETA over the past eight years. He said that her commitment and professional expertise had served the Authority well and noted the tangible results of her efforts, *Gemini*. On behalf of WETA he wished her "fair winds and following seas" in the future.

5. REPORTS OF STAFF

Mr. Stanley introduced Barry Broad of the firm Broad and Gusman in Sacramento, who gave a State Legislative update regarding the suspension of Proposition 1B funding. Mr. Broad noted that other Prop 1B funding recipients received the same letter. He stated that given the budget crisis in Sacramento there was no way to predict when the funds would be available again, but that should the funds be released, payment should be accelerated thanks to the legislation being introduced by Fiona Ma drafted with assistance of WETA staff. He noted that timing of the bill could be an issue but that ideally it would be passed in August of 2009 and signed in October.

Vice Chair Intintoli asked what would happen to impact WETA's Prop 1B funded projects. Mr. Broad responded that the funds would not be released any time soon. Vice Chair Intintoli said that all parties involved in the projects should be notified and that state representatives should be notified as well. Mr. Broad agreed.

Mr. Broad added that President Elect Obama's plan included an infusion of funding to states for "shovel ready" projects. Director Johnson asked how long it was anticipated that the funds would be held and if other projects were affected. Mr. Broad reiterated that there was no way to know when funding would be restored and that Prop 1B funding was frozen for all recipients.

Chair Johnson then remarked on the schedule of meetings for 2009 and asked where the February Alameda meeting would be held. Mr. Stanley replied that a meeting location was still

to be confirmed but that it would not be held and Bay Ship & Yacht as their facilities were too small.

6. CONSENT CALENDAR

Vice Chair Intintoli made a motion to approve the minutes from the December 4, 2008 Board of Directors meeting. Director Bellows seconded the motion and the item carried unanimously.

7. ALBANY/BERKELEY ALTERNATIVE FERRY TERMINAL LOCATION STUDY AND RECOMMENDED SITE FOR THE LOCALLY PREFERRED ALTERNATIVE

Manager of Planning and Development John Sindzinski presented this item regarding the receipt of public comments on the draft EIR/EIS (DEIR/EIS) and the formalizing of a recommended site as the locally preferred alternative for Board approval in February 2009.

Mr. Sindzinski reviewed the history of the Albany/Berkeley ferry terminal project and the four alternative sites for the proposed terminal locations along the East Bay waterfront. He noted that the purpose of the agenda item was to consider comments WETA received in response to the 60 day public comment period that ended December 31, 2008 concerning the draft EIR/EIS for the Albany/Berkeley ferry terminal project.

Mr. Sindzinski then reviewed each of the four sites and typical comments received regarding potential impacts at each, as well as possible mitigations for these impacts. He noted that due to suspension of Prop 1B funds, the project would not be able to move into the design stage so this would be an opportune time to consider the sites.

Mr. Sindzinski also noted that the City of Berkeley's Planning Commission had advised WETA that they would strongly prefer the opportunity to meet with WETA staff and provide comments on the project before a preferred site is selected and that WETA supports the request in order to maximize public input and dialogue to help us select the most supportable site for our east shore terminal.

Vice Chair Intintoli asked if the final analysis would include the Albany sites even if they were no longer under consideration. Mr. Sindzinski replied that the WTA board had decided in 2006 to consider all four sites and that that could not be economized at this point. Vice Chair Intintoli noted concern of this many terminal sites for consideration on other WETA projects. Mr. Sindzinski said that this particular project had an unusual number of potential sites and that this was not likely to be an issue in the future.

Public Comment:

Merri Mitchell of Berkeley asked about shuttle busses to the terminal site. WETA counsel Stanley Taylor of Nossaman LLP advised that this time was intended as an open comment period and not a Q&A. Ms. Mitchell asked why she had not previously been aware of the project and was concerned at the degree of public outreach. She reiterated her concern over shuttle busses and asked what WETA's involvement was regarding buses. WETA Community Relations Manager Shirley Douglas responded that WETA was not involved with shuttle busses.

Public Comment:

Jim McGrath of US Windsurfing and San Francisco Board Sailors noted that he was a former Port of Oakland employee and familiar with CEQA requirements. He stated that the Hs Lordships site had significant recreational impacts not addressed in the DEIR/EIS and that parking spaces at Hs Lordships and the Doubletree were under lease and not available to

WETA. He also noted potential conflicts with the Bay Trail. He thanked the Board for the opportunity to comment.

Public Comment:

Larry Tong of the East Bay Regional Parks District noted that while he supports WETA's mission, the two Albany sites are unmitigatable and would face strong opposition if selected. He also expressed concerns regarding the Berkeley Marina site and asked that WETA please work with the EBRPD if chosen.

Public Comment:

Allan Marris noted that he was a former WTA Community Advisory Committee member and noted that all would miss Ms. Culnane. He felt that the DEIR/EIS was insufficient and that parking for the Berkeley sites and traffic speed were substantial concerns not addressed. He also read from a letter which had been submitted in full during the public comment period.

Public Comment:

Paul Kamen of Berkeley Waterfront Commission expressed concerns over operating subsidies, noting that a per trip cost was more meaningful than fare box recovery. He said that infrastructure already exists at Doubletree and Hornblower and that scaling back the plan would be the only way to make it work.

Public Comment:

James McVaney of Berkeley Marina Boaters expressed concern that WETA had not adequately publicized the meeting within the Marina itself. He stated that the marina site was a bad choice and would result in the loss of significant dock space and that no one in the Marina wants a terminal site located there. He said that the Fishing Pier site should be preferred and that it would also have better waterfront views to entice riders. He urged WETA to have a shovel ready.

Public Comment:

Jay Gardener of Adventure Cat said that current ferry technology could not compare with BART on passenger miles per gallon and that an SUV driving across the Bay Bridge had better efficiency. He said that his technology offered a better way via battery electric with wind assist, which would offer 150 passenger miles per gallon. He said it would be ideal for short runs such as the Berkeley service.

Public Comment:

Edward C. Moore of Berkeley noted that all of the sites under consideration were eligible for historic site protections and that the DEIR/EIS was insufficient to meet federal law. He said that the East Bay had the most historically significant waterfront in California and urged a harder look be taken at the sites, noting his written comments previously submitted to WETA during the public comment period.

Public Comment:

Noel Stewart spoke on the history of ferry service on the San Francisco Bay and the decline of the ferry after the bridges were completed. He said that anyone who doubted the viability of ferries system should examine the history of the Key System. He said that WETA has a public duty to restore ferry service and could use historical data to show its usefulness and thanked WETA for its hard work.

After public comments concluded, Vice Chair Intintoli asked for clarification on action to be taken for this item. Mr. Sindzinski said that he asked to be directed to meet with the Berkeley Waterfront Commission.

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

8. ADJOURNMENT

All business having concluded, the meeting was adjourned at 2:50 p.m.

Respectfully Submitted,

Board Secretary

MEMORANDUM

TO: Board Members

FROM: John Sindzinski, Manager, Planning & Development

SUBJECT: Presentation on Treasure Island Redevelopment Plan

Recommendation

There is no specific recommendation as this is an informational item.

Background

The City of San Francisco (City) is actively moving forward with its plans to redevelop the former Navy base on Treasure Island (Island) into a new residential community with upwards of 6,000 dwelling units and other amenities, including retail and hotel establishments as well as an extensive system of open space and recreational uses. The redevelopment plan is currently in the environmental review and approval process. The City expects to complete this phase of pre-construction activities in the next year or so and hopes to have the first residents in the new development in place within 5 years.

A key component in this project is the development of a ferry service linking this new development to the San Francisco downtown and environs. Indeed, the project includes large passenger ferry boats and their operation, as well as a new ferry terminal on Treasure Island, all to be built and financed by the development project and fees. The development plans call for frequent all day and weekend service on the mile long route between the Island and Mainland. This service will also be supplemented by new bus routes and financed in part by commuter period congestion pricing tolls for those residents who access the Bay Bridge instead of using mass transit.

WETA has been working closely with the San Francisco Mayor's office and others, including the developer, to advance the ferry portion of the project in a manner that meets our needs and our design and engineering standards, especially for compatibility with our vessels and emergency response needs. This project will require new vessels and a new ferry terminal on the west side of the Island. These capital investments are the responsibility of the development as is the underwriting of the operating cost of the service itself.

Additional berthing is also needed at the San Francisco ferry terminal. This portion of the project is not included in the development plan or finances and will require WETA and Port investments. Staff will return to the Board with more information on these requirements at subsequent meetings.

Staff will also be presenting action items related to this project at next month's meeting. The first concerns an agreement between WETA and the City that will have WETA administer the engineering studies for the new Treasure Island ferry terminal and the second will be to award this work to a consultant. This relationship will solidify our initial planning roles and responsibilities for the terminal and the service, responsibilities we would have once the facility is built and the service is up and running. (WETA's IOP called for San Francisco to build the Treasure Island terminal, purchase the vessels and to subsidize the services but for WETA to actually be responsible for its operations.)

Financial Implications

None at this time.

***END**

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Deputy Director of Finance & Administration

SUBJECT: Update on Economic Recovery Program

Recommendation

There is no specific recommendation as this is an informational item.

Background

House and Senate Congressional leaders have worked over the past several months to develop an economic recovery package for implementation in early 2009. The House of Representatives passed their version of the \$825 billion economic stimulus package on January 28, and the full Senate plans to take up their version of the package during the week of February 2. It is anticipated that the two Chambers will work out the differences between the two bills during the week of February 9.

The Senate and House bills have proposed approximately \$45 billion for transportation infrastructure (just over 5% of the total stimulus bill). There will be no earmarks in the stimulus package, which is being referred to as the Economic Recovery and Reinvestment Bill of 2009. All transportation funding will be directed to existing programs using existing formulas. Our federal lobbyists at Lindsay, Hart, Neil & Weigler, LLP are working to help ensure that one of the programs that funds will be directed to is the Ferry Boat Discretionary program, which has been a source of several million discretionary federal funds to support WETA projects in recent years.

Discussion

WETA staff has received requests for potential projects to be included in the Economic Recovery program from county, regional and state offices over the past four months as funding agencies have prepared to move to quickly assign funds once a bill is passed. At this juncture, staff anticipates that funds could flow to WETA through two different programs including one that would provide for formula investments in public transportation and one that would provide investments in maritime transportation, which, in the Senate bill, would direct up to \$60 million to the Ferry Boat Discretionary program.

Funding decisions related to transit formula grants would be made by the Metropolitan Transportation Commission. For initial discussion purposes, MTC has issued target amounts for existing transit operators (FTA recipients only) to use in developing a list of rehabilitation and/or replacement projects that could be implemented within the time constraints anticipated for the Economic Recovery program. While these time constraints have been in flux during the bill development, it appears that they could be as stringent as requiring fund obligation within 90 days and construction contract award within 6 months. Based upon the likely program delivery requirements and staff's understanding of the critical capital needs identified by the cities of Vallejo and Alameda, WETA staff has identified the following high-priority rehabilitation/replacement projects associated with the city-based services to be transitioned to WETA for fund consideration by MTC:

- **Vallejo Vessel Repower** – This project would repower and complete other mid-life rehabilitation work on the MV Intintoli and MV Mare Island vessels, consistent with City of Vallejo's plans. According to the City, these projects must be under contract by no later than December 2009 in order to repower these vessels in time to ensure that existing engines are not in use beyond their maximum engine hour threshold. The total project cost is \$14 million. No funds have been secured to date, although the City and WETA will be working collaboratively over the next several months to try to secure Carl Moyer and/or other future federal funds to support implementation of this high priority project.
- **North Bay/Vallejo Maintenance Facility** – WETA staff is working with the City of Vallejo to develop an agreed-upon site and project plans for construction of a North Bay maintenance facility at Mare Island. This project has been under development by the City for a number of years, and, funds permitting, could be under construction within the year. To date, the City of Vallejo has secured approximately \$12 million (including \$5 million Proposition 1B funds through WETA, which are currently suspended) to support this \$23 plus million project.
- **Alameda System Floats** – Working with staff from the City of Alameda, WETA (as an FTA recipient - City of Alameda is not) has identified the need to replace several system floats. Depending upon the site and float dimensions, the cost per float can vary from \$500 to \$1.5 million each.

It is unclear at this time whether funding decisions related to the Ferry Boat Discretionary program would be made by MTC, the State Department of Transportation and/or the Secretary of Transportation. Our lobbyists in Washington DC are following this process closely and will keep us apprised as the program details are finalized. Ferry Boat Discretionary funds have historically been available to support construction of new vessels, terminals and facilities for ferry transportation. In the event that system expansion is a focus of this program, WETA is potentially well situated to compete for a share of these funds to support the following expansion project:

- **SSF Vessel and Terminal Construction** - This project includes the construction of two 199-passenger vessels and construction of a terminal and float facilities at the Oyster Point Marina in South San Francisco. This project is currently approximately \$10 million under-funded due to the suspension of Proposition 1B funds. Funds for the vessel construction would be a top priority as WETA is currently under contract with Kvichak Marine Industries to construct these vessels, and terminating or delaying this contract work would be costly and undesirable. The SSF terminal construction is ready to advertise, but currently on hold until staff can come up with alternative funds or a funding bridge to make-up for the suspension of Proposition 1B funds.

Once fund programming decisions have been made for the Economic Recovery programs, WETA will need to work with MTC to reflect these commitments in their Transportation Improvement Program (a prerequisite to grant application consideration) and with the Federal Transit Administration (FTA) to secure funds in grant contracts. Unless the Economic Recovery bill provides for expedited processes related to securing these funds, it will take between three and six months to complete these activities and secure funds for expenditure on these projects.

END

MEMORANDUM

TO: Board Members

FROM: Jon Stanley, Executive Director

SUBJECT: Approve the Three Party Agreement Regarding Distribution and Use of San Mateo County Measure A Funds for Ferry Service between South San Francisco and Oakland

Recommendation

Authorize the Executive Director to enter into the proposed funding agreement with the City of South San Francisco (City) and the San Mateo County Transportation Authority (SMCTA) for Measure A sales tax funds to support the South San Francisco Ferry Terminal project.

Background

San Mateo County Measure A sales tax funds are available to support local match funds for ferry service to South San Francisco and Redwood City. The amount approved is \$30 million over the 25-year life of the measure, to be distributed equally between the two cities (equivalent to \$15 million each). However, to make productive use of these funds, WETA and the City of South San Francisco (as project sponsor) have asked for an accelerated disbursement of the funds over the duration of the South San Francisco Ferry Terminal project, rather than over 25 years. As a result of this request, the SMCTA has determined that an accelerated provision of funds over approximately 18 months is possible under the terms of the proposed agreement. This will enable the project to move forward with an adequate funding stream to allow payment of construction costs as they are incurred.

Discussion

The agreement (Attachment A) provides for allocation of the \$15 million intended for use on the South San Francisco Ferry Terminal project to be made available starting on June 30, 2009 to be paid in quarterly installments, on a reimbursement basis, subject to availability of funds.

The City of South San Francisco will serve as the Project Sponsor, and will serve as the “pass through agency” for the flow of Measure A funds between WETA and the SMCTA. WETA will serve as the Project Manager to implement the construction of the project and subsequent operation of the ferry service. Requirements of WETA under this agreement include:

- To develop and submit an acceptable business plan to the City addressing ridership, marketing, and an operations plan prior to requesting the initial reimbursement of funds.
- To provide information demonstrating the commitment of the other funding sources such that the project is fully funded. WETA will not seek additional Measure A funds over and above the \$15 million.
- Submit monthly progress reports.
- Make good faith, vigilant efforts to meet start date and end construction milestones.
- Operate scheduled ferry service to South San Francisco for a minimum of 5 years.
- Maintain the water channels and terminal infrastructure for use in an emergency.

- Give priority in transporting first responders on the ferry vessels during an emergency situation.
- To provide the SMCTA with a security interest in the Ferry Terminal in a form to be approved by legal counsel to the SMCTA, to assure performance of the obligations and commitments set forth in the agreement.

Financial Implications

This action will result in the accelerated receipt of Measure A sales tax funds in support of the South San Francisco Ferry Terminal construction schedule and anticipated cash flow needs.

Options

Approve or reject.

END