

Members of the Board

Jody Breckenridge, Chair
Jeffrey DelBono
Timothy Donovan
Anthony J. Intintoli, Jr
James Wunderman

BOARD OF DIRECTORS' MEETING
Thursday, November 5, 2015 at 1:00 p.m.
San Francisco Bay Area
Water Emergency Transportation Authority
9 Pier, Suite 111; San Francisco

The full agenda packet is available for download at sanfranciscobayferry.com/weta.

AGENDA

1. CALL TO ORDER – BOARD CHAIR
2. PLEDGE OF ALLEGIANCE/ROLL CALL
3. REPORT OF BOARD CHAIR **Information**
4. REPORTS OF DIRECTORS **Information**
5. REPORTS OF STAFF **Information**
 - a. Executive Director's Report
 - b. Monthly Review of Financial Statements
 - c. Legislative Update
6. CONSENT CALENDAR **Action**
 - a. Board Meeting Minutes – October 1, 2015
 - b. Approve Amendment to the Agreement with Valley Power Systems North, Inc. for Intermediate Overhaul of the Gemini Class Vessels Main Engines
7. MEETING SCHEDULE FOR CALENDAR YEAR 2016 **Action**
8. APPROVE CONTRACT AWARD TO MARINE GROUP BOAT WORKS FOR FERRY VESSEL INTINTOLI MAJOR COMPONENT AND WATERJET REHABILITATION PROJECT **Action**
9. AUTHORIZE THE RELEASE OF REQUEST FOR PROPOSALS FOR CONSTRUCTION OF CENTRAL BAY OPERATIONS AND MAINTENANCE FACILITY **Action**
10. APPROVE A PROJECT LABOR AGREEMENT FOR CONSTRUCTION OF THE CENTRAL BAY OPERATIONS & MAINTENANCE FACILITY PROJECT **Action**
11. STATUS REPORT ON FERRY TICKET AND CLIPPER CARD FARE PAYMENTS **Information**
12. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

Water Emergency Transportation Authority

November 5, 2015 Meeting of the Board of Directors

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.

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.

Participation in a meeting may be available at one or more locations remote from the primary location of the meeting. See the header of this Agenda for possible teleconference locations. In such event, the teleconference location or locations will be fully accessible to members of the public. Members of the public who attend the meeting at a teleconference location will be able to hear the meeting and testify in accordance with applicable law and WETA policies.

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 Government Code section 84308 and to applicable regulations.

MEMORANDUM

TO: WETA Board Members
FROM: Nina Rannells, Executive Director
DATE: November 5, 2015
RE: Executive Director's Report

CAPITAL PROJECT IMPLEMENTATION UPDATE

Vessel Replacement – The *Encinal* and *Harbor Bay Express II* are included in the FY 2013/14 Capital Budget for replacement as they have reached the end of their useful lives (generally 25 years) and staff has secured funding commitments for replacement vessels. In December 2013, the Board of Directors approved the contract award to Aurora Marine Design (AMD) for vessel construction management services. The Request for Proposal to construct two new passenger-only vessels was released on September 26, 2014. The Board approved a contract with Kvichak Marine Industries in April 2015 for the construction of two new replacement vessels.

Design and engineering work is underway, main engines for both vessels have been ordered. The first aluminum orders for construction were delivered in late August. Vessel construction began in early September with engine room hull modules beginning assembly. Vessel design and construction work continues. Final acceptance dates are scheduled for December 2016 for the first vessel and April 2017 for the second vessel.

Peralta Mid-Life Refurbishment - The ferry vessel *Peralta* was acquired by WETA from the City of Alameda in April 2011 through the transition of the Alameda Oakland Ferry Service to WETA. Built in 2001 by Nichols Brothers Boat Builders, the *Peralta* has been in service for 13 years and has reached its economic mid-life. This refurbishment project consists of replacing or overhauling the main engines, refurbishment of the passenger cabin, hull work, major system renovation, and replacement of control systems and navigation electronics and will extend the useful life of the vessel to the expected full 25 years.

The refurbishment project is separated into two phases. The Phase 1 scope of work includes refurbishment of main engines, generators and gear boxes, installation of new steering hydraulic pumps and rams, passenger cabin renewal including refurbishment of the restrooms, new carpets, vessel drydock, interior vessel paint, and provision of spare gearbox, propellers and shafts. Bay Ship & Yacht completed Phase 1 work in mid-2015

Phase 2 will include replacement of all control systems and navigation electronics, snack bar renewal, and exterior cabin paint. Phase 2 implementation has been deferred until next winter (2016/17) so that the *Peralta* can be utilized this winter while core maintenance work is completed on other vessels in the fleet.

Vallejo Ferry Terminal Maintenance Dredging – This project will dredge the Ferry Terminal basin and refurbish the passenger float. The last maintenance dredging episode occurred in 2011; the basin has silted and requires maintenance dredging. CLE Engineering was awarded a contract to assist staff with permitting and project management on October 16, 2014. All permit applications have been submitted, with no delays expected. The Board awarded a contract for

the work to Vortex Marine Construction in August 2015 and dredging work began in September. The temporary passenger float was deployed and refurbishment work on the primary float began in September. Dredging was completed and the refurbished float was re-installed the last week of October.

North Bay Operations and Maintenance Facility – This project will construct a new ferry maintenance facility located at Building 165 on Mare Island in Vallejo in two phases. The landside phase includes site preparation and construction of a new fuel storage and delivery system along with warehouse and maintenance space. The waterside phase will construct a system of modular floats and piers, gangways, and over-the-water utilities.

The Board of Directors awarded a design-build contract for the landside phase to West Bay Builders, now Thompson Builders, in August 2013. Landside construction is substantially complete. Remaining tasks for the landside construction phase include commissioning and testing of systems that run between the landside and waterside portions of the project.

The Board of Directors awarded a design-build contract for the waterside construction phase to Dutra Construction in July 2014. Final design of the waterside phase is complete. The Navy NEPA environmental review work for the waterside portion of the project is complete and WETA entered into a lease with the Navy for the project area submerged lands on July 15, 2015. All required permits for the waterside construction phase of the project have been received. Pile driving activities began the week of August 3, 2015 and were completed on September 2, 2015. A total of 23 piles were driven over a 4 week period. Fabrication of the floats is underway and the floats are anticipated to be delivered to the site in November. After the floats are delivered, the construction contractor will begin installation of the superstructure and utility systems.

Regional Passenger Float Construction – This project will construct a new regional spare float that can be utilized as a backup for the Vallejo terminal float as well as other terminal sites such as downtown San Francisco when the permanent terminal floats must undergo periodic dry-dock, inspection, and repair. This spare will support ongoing daily services and will be a valuable asset to have available for use in unplanned or emergency conditions. Ghirardelli Associates Inc. was selected as the project construction manager. Procurement of the passenger float construction contract was combined with the North Bay Operations and Maintenance Facility Project construction contract. The Request for Proposals for the project was released on February 28 and the construction contract was awarded to Dutra Construction on July 10, 2014. Final design was completed in December 2014. Float fabrication was completed in Portland, Oregon. The float arrived at Dutra's Alameda yard in early October. Float ramping and utility systems are being installed. The float is anticipated for completion in November and will be towed to the existing Vallejo Maintenance Facility for storage.

Central Bay Operations and Maintenance Facility – This project will develop an operations and maintenance facility at Alameda Point to serve as the base for WETA's existing and future central bay ferry fleet. The proposed project would provide running maintenance services such as fueling, engine oil changes, concession supply, and light repair work for WETA vessels. The new facility will also serve as WETA's Operations Control Center for day-to-day management and oversight of service, crew, and facilities. In the event of a regional emergency, the facility would function as an Emergency Operations Center, serving passengers and sustaining water transit service for emergency response and recovery.

The agenda for this month's Board meeting includes an item requesting authorization to release a Request for Proposals (RFP) for Design/Build construction of the project. A related item is also agendaed to approve a Project Labor Agreement with the Building Trades Council of Alameda County for the project. Pending Board approval, staff anticipates releasing the RFP to

potential bidders later this month. Project construction is scheduled to begin in 2016 and be complete by early 2018.

Staff is also advancing work to provide a replacement harbor seal haul-out in conjunction with this project. A conceptual design and implementation plan has been developed in coordination with a working group consisting of Alameda community members, City staff, and a marine mammal expert. Staff is working with state and federal resource agencies with jurisdiction over the work to secure permitting approval.

Downtown San Francisco Ferry Terminal Expansion Project – This project will expand berthing capacity at the Downtown San Francisco Ferry Terminal in order to support new and existing ferry services to San. The proposed project would also include landside improvements needed to accommodate expected increases in ridership and to support emergency response capabilities.

On October 2nd, the project was presented to the BCDC Engineering Criteria Review Board (ECRB) for design review. Preliminary (30%) design and engineering of the project will be complete in November and staff will move forward with finalizing bridging design documents for project construction. A Request for Proposals for construction of the project is anticipated to be released in spring 2016, pending Board approval.

SERVICE DEVELOPMENT UPDATE

Richmond Ferry Service – This service will provide an alternative transportation link between Richmond and downtown San Francisco. The conceptual design includes plans for replacement of an existing facility (float and gangway) and a phased parking plan. The WETA Board adopted a Funding Agreement and Memorandum of Understanding with the Contra Costa Transportation Authority at its March 2015 meeting that funds the operation for a minimum period of 10 years.

The NEPA environmental review process was completed in October. The project was presented to the BCDC Design Review Board (DRB) in September. The BCDC DRB recommended advancing the project to the full BCDC commission. A Planning Application for the project was submitted to the City in October. Staff is coordinating with City of Richmond staff for review by the City's DRB. The project will be presented to the City DRB in November or December. Staff is also coordinating with City staff to draft the lease agreement for the project. Efforts to develop an RFP document for vessel procurement to support the Richmond service are underway.

Treasure Island Service – This project, which will be implemented by the Treasure Island Development Authority (TIDA), the San Francisco County Transportation Authority (acting in its capacity as the Treasure Island Mobility Management Authority) and the prospective developer, will institute new ferry service to be operated by WETA between Treasure Island and downtown San Francisco in connection with the planned Treasure Island Development Project. The development agreement states that ferry operations would commence with the completion of the 50th residential unit.

WETA staff is working cooperatively with City of San Francisco staff to support development of this project, including participating in regular meetings of the City's Technical Advisory Committee convened to update and further develop the Treasure Island Mobility Management Program, which will include new ferry service provided in conjunction with the development project. The City is scheduled to consider adoption of preliminary toll policies in Fall 2015 that will include a financial plan for the Mobility Management Program. Staff has begun negotiation of a Memorandum of Understanding (MOU) with the City that would set forth the terms and conditions under which WETA would operate the future Treasure Island ferry service. The

finalization and execution of an MOU for the Treasure Island service would be subject to consideration by the WETA Board.

Berkeley Environmental Studies – This service will provide an alternative transportation link between Berkeley and downtown San Francisco. Staff has coordinated with FTA staff to discuss the process for completion of the Final EIS/EIR. FTA has recently expressed that it will not be able to complete the NEPA process and issue a Record of Decision because a long-term operational funding source is not available for the service.

SYSTEM STUDIES

Alameda Terminals Access Study – Both ferry terminals in Alameda have experienced a surge in ridership beginning with the first BART strike in July 2013. As a result, parking at both terminals typically spills on to adjacent streets and informal parking lots. WETA is partnering with City of Alameda staff to prepare plans to address the immediate issue and identify mid- to long-term solutions. In response to WETA staff activity, the City of Alameda Transportation Commission formed its own Ad Hoc Subcommittee to investigate improvements for ferry terminal access. In addition to Transportation Commission members and City of Alameda staff, the Subcommittee also includes WETA staff and representatives from AC Transit and local community organizations.

One of the original intents of the WETA Access Plan was to engage agency partners in finding access solutions. The formation of the Ad Hoc Subcommittee represents a success of the planning effort: the City of Alameda is engaged and is helping to improve access to ferry services for its residents. AC Transit has also developed proposals for service to Main Street to share with the Subcommittee. During this time, WETA staff has put access plan activities on hold to work collaboratively with the City and other partners to focus on parking strategies. The plan will restart with a fresh focus on alternative modes such as buses, shuttles, bicycles and pedestrian improvements after the Main Street overflow parking issue is considered by the Subcommittee. It is anticipated that the Access Plan will be released before the end of the calendar year.

Alameda Seaplane Lagoon Study - The City of Alameda has proposed a new ferry terminal located along Seaplane Lagoon on the former Naval Air Station at Alameda Point. Consistent with terms of the 2011 Transition Agreement executed between WETA and the City of Alameda, both parties have been working together to explore the viability of a new ferry service connecting Seaplane Lagoon and San Francisco over the past year.

Staff has been working with the City of Alameda on a draft a Memorandum of Understanding (MOU) that would set forth the terms and conditions under which a Seaplane Lagoon Ferry Service would be implemented, including construction of new facilities and service operations. However, the City's designated developer of the Seaplane Lagoon property -- Alameda Point Partners -- has elected to explore using a private sector operator and private development for the Seaplane Lagoon ferry terminal through the release of a Request for Proposals (RFP) for ferry operations in September. Responses to the RFP were due the week of September 21 for the developer's consideration.

Mission Bay Ferry Terminal – The NBA Champion Golden State Warriors basketball team has identified a preferred arena site at the foot of 16th Street in the Mission Bay neighborhood of San Francisco. A Mission Bay ferry terminal has been identified in both WETA and City of San Francisco planning documents as a potential future infrastructure investment but no significant planning or development work has been conducted to date and no funding exists to develop this as a terminal site. The Warriors and the City released an Environmental Impact Report for the proposed arena in early June, 2015, that does not consider a new ferry terminal or ferry service

as a part of its project. The final Environmental Impact Report calls for a \$60 million fund for transportation improvements in the area of the new arena. Specific improvements called for in the document include new light rail cars and a new station. The fund, which will be administered by a committee of Mission Bay property owners, includes \$6 million in annual operating revenues for transit and traffic management.

Site Feasibility Studies – Site feasibility reports have been prepared in cooperation with the cities of Hercules, Martinez, Antioch and Redwood City in an effort to identify site constraints and design requirements and better understand project feasibility and costs associated with development of terminals and services to these cities. The Contra Costa County Transportation Authority, as the county transportation planning and funding authority, has utilized this information to develop a Financial Feasibility of Contra Costa Ferry Service Report (completed June 2014) to assess the feasibility of implementing ferry services in the county. The report concludes that of the candidate ferry terminals in Contra Costa County, only the Richmond project is financially feasible at this time.

OTHER

Emergency Response Activities Update – WETA's enabling legislation, SB 976 as amended by SB 1093, directs the agency to provide comprehensive water transportation and emergency coordination services for the Bay Area region. Staff is currently working on several emergency response related activities:

External and Internal Emergency Plan Updates: WETA's external Emergency Water Transportation System Management Plan (EWTSMMP) was published and approved in 2009. Navigating Preparedness Associates is assisting staff with evaluating existing plans and capabilities and updating WETA's internal and external emergency response plans. The external draft plan has been reviewed by staff and is undergoing a second revision. This plan has been developed to guide the agency's provision of emergency services in a catastrophic event (such as a major earthquake on the southern Hayward or San Andreas faults) that necessitates a Governor's Proclamation of Emergency and a Stafford Act Disaster Declaration. The agency's internal Emergency Operations Plan, is an appendix to the external plan and will address all other transportation incidents or required changes in service levels. Staff will provide an informational update to the Board in the next couple months in advance of bringing forward a Draft external plan to the Board for consideration. It is anticipated that both plans will be complete by early next year.

San Francisco Fleet Week 2015 Exercise: San Francisco Department of Emergency Management (SFDEM), in partnership with the San Francisco Center for Humanitarian Assistance Disaster Response and the Port of San Francisco, conducted a defense support of civil authorities (DSCA) full scale exercise drill on Monday, October 5, 2015 that included area leaders, first responders, the Department of Defense and Homeland Security services to test disaster transportation and logistics strategies and improve the preparedness for and response to a catastrophic disaster. The exercise tested the following objectives:

1. Planning – Test Plan Integration: De-conflict operational assumptions that have been documented in local, regional, State and Federal plans.
2. Operational Coordination – Maintain Common Operating Picture: Establish and maintain a unified and coordinated operational structure and process that appropriately integrates all critical stakeholders and supports the execution of core capabilities.

3. Operational Communication – Vertical and Horizontal Information Sharing: Ensure the capacity for communications in support of security, situational awareness, and operations by all means available between affected communities in the impact area and all response forces, and
4. Logistical Coordination – Test interconnection of multi-modal delivery of assets into San Francisco concept through use of a Landing Craft Utility (LCU) and US Department of Transportation Maritime Administration (MARAD) Roll-on/Roll-off (RORO) ship.

One of the most helpful findings from this full scale exercise was that some of the trucks that were being moved could not be loaded onto the LCU. As a result, the associated plans and procedures will be changed to include wood blocking which will enable such trucks to be safely loaded onto LCUs and other similar equipment. Staff will be attending the After Action meeting on November 5 and will request to be a participating agency in next year's exercise to test one or more of WETA's emergency response objectives.

Fueling Exercise with MARAD: WETA staff is currently coordinating with the Maritime Administration (MARAD) to conduct a dry, over the water fueling exercise this winter to check compatibility of fueling hoses between the MARAD and WETA fleets and fendering requirements for WETA vessels. WETA and Blue & Gold staff attended a meeting with the MARAD staff on the vessel Callahan on October 13 to discuss exercise planning issues such as docking, fendering, hose length and compatibility. The exercise is tentatively scheduled for November 17.

Coast Guard Manning Requirements - Blue and Gold Fleet, our contract operator, was recently informed by the U.S. Coast Guard of a proposed change to the manning requirements of small passenger vessels operating in the San Francisco Bay including WETA vessels operated by Blue and Gold Fleet. Changes proposed would increase the deckhand requirement for WETA's vessels over 149 passengers and would result in an estimated \$2 million annual cost increase to WETA's operation. The bulk of this increase would impact the Vallejo service, which would be required to man vessels with twice as many deckhands as is required today. Staff has reached out directly to the Coast Guard to request additional information regarding their work and analysis supporting this recommendation and to request a consultative process to review and discuss any changes that might be made. On May 27, Nina Rannells, Keith Stahnke, Marty Robbins of Fast Ferry Management and representatives from Blue & Gold Fleet met with United States Coast Guard staff to receive a presentation regarding their work to date and begin the consultative process on this initiative. WETA staff and Blue & Gold Fleet prepared a draft response as requested by the USCG. Initial feedback is the draft letter has provided adequate detail on safety, risks and mitigations for vessels to operate at the current manning levels. Staff was informed that a written request for letters for each vessel inspection file is forthcoming. In addition the 2005 risk assessment for the four North Bay vessels in Vallejo service was located and the only action required is to confirm that any subsequent changes to systems or equipment do not impact the risk assessment findings. The North Bay vessels assessment for changed conditions has been completed, current manning levels remain in place, and this is noted in the vessel files and on each vessel Certificate of Inspection. The USCG Inspections unit is currently reviewing the Central Bay vessels. Initial indications are that individual assessments will not be required and the current manning levels are adequate.

Senate Bill X1-7 and Assembly Bill X1-8 – SB X1-7, introduced by Senator Allen, and AB X1-8, introduced by Assembly Members Chu and Bloom, are identical measures. These bills would increase the sales and use tax on diesel fuel from 1.75 percent to 5.25 percent, beginning July

1, 2016. This tax increase is expected to generate approximately \$300 million to support public transit's capital maintenance and expansion needs as well as operational needs.

If enacted, WETA's system-wide fuel cost would increase by approximately \$79,000, based upon current usage, and WETA would receive an estimated additional \$900,000 in State Transit Assistance (STA) funds, based upon the current STA formula.

KEY EXTERNAL OUTREACH/BUSINESS MEETINGS

On October 2, Lauren Gularte attended a Regional Title VI Working Group Conference.

On October 7, Mike Gougherty participated in the Port of San Francisco Northeastern Waterfront Advisory Group (NEWAG) on behalf of WETA.

On October 9, Nina Rannells attended the San Francisco Bay Area Partnership Board meeting at MTC's offices.

On October 9, Lauren Gularte attended the monthly Regional Disadvantaged Business Enterprise Committee meeting.

On October 13, Nina Rannells attended the Small Operators General Managers Meeting to discuss Clipper and other items of common business.

On October 13, Lauren Gularte, Kevin Donnelly and Keith Stahnke attended a planning meeting aboard the MARAD vessel Callahan, preparing for a fuel transfer exercise scheduled for November 17.

On October 14, Nina Rannells attended the Metropolitan Transportation Commission Programming and Allocations Committee meeting in Oakland.

On October 14, Nina Rannells attended SolTrans' Curtola Park and Ride ribbon cutting ceremony in the City of Vallejo.

On October 15, Kevin Donnelly and Keith Stahnke attended the MTC Trans Response Plan (TRP) steering committee meeting.

On October 16, Nina Rannells attended a North Bay Transportation Summit organized to identify and discuss projects of common interest between North Bay transit operators, county transportation authorities and MTC.

On October 20-21, Nina Rannells attended the California Transportation Commission meeting held in Oakland, CA.

On October 21, Lauren Gularte attended the MTC Partnership Legislative Committee meeting.

On October 22, Mike Gougherty presented the Downtown San Francisco Ferry Terminal Expansion project to the BCDC Engineering Criteria Design Review Board for review.

On October 23, Lauren Gularte attended the 2015 Yellow Command After Action meeting.

On November 4, Mike Gougherty and Lauren Gularte presented to the Business Outreach Committee on upcoming WETA project opportunities.

On November 5, Lauren Gularte will attend the 2015 San Francisco Fleet Week Exercise After Action meeting.

OPERATIONS REPORT

Fleet Week 2015

Ridership was up 3 percent from 2014 for the Friday, Saturday, and Sunday period. There was a noticeable increase in ridership on Friday for the Alameda/Oakland and Harbor Bay services as a result of the Parade of Ships being moved to Friday. We operated similar weekend schedules as the Transbay BART Closure with similar impressive results; almost doubling the numbers we usually see on Summer weekend days (23,179 passengers).

Monthly Operating Statistics - The Monthly Operating Statistics Reports for September 2015 is provided as Attachment A.

Attachment A

Monthly Operating Statistics Report September 2015

		Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide	
Ridership	<i>vs. last month</i>	Total Passengers September 2015**	115,286	25,435	10,255	85,314	236,290
		Total Passengers August 2015**	128,333	25,534	10,083	94,126	258,076
		Percent change	-10.17%	-0.39%	1.71%	-9.36%	-8.44%
	<i>vs. same month last year</i>	Total Passengers September 2015**	115,286	25,435	10,255	85,314	236,290
		Total Passengers September 2014	76,052	21,457	8,495	74,573	180,577
		Percent change	51.59%	18.54%	20.72%	14.40%	30.85%
	<i>vs. prior FY to date</i>	Total Passengers Current FY To Date	360,575	78,178	30,999	276,246	745,998
		Total Passengers Last FY To Date	268,541	63,972	24,516	245,827	602,856
		Percent change	34.27%	22.21%	26.44%	12.37%	23.74%
	Avg Weekday Ridership September 2015		3,514	1,211	488	2,997	8,210
	Ops Stats	Passengers Per Hour	234	186	63	143	170
		Revenue Hours	493	137	163	598	1,391
Revenue Miles		5,877	3,017	2,599	16,058	27,551	
Fuel	Fuel Used (gallons)	42,718	10,965	13,569	132,922	200,174	
	Avg Cost per gallon	\$1.94	\$1.94	\$1.94	\$2.07	\$2.02	

* Vallejo ridership includes ferry + 5903 Route 200 bus passengers.

** August & September 2015 boardings include BART closure ridership for Alameda/Oakland and Vallejo services, August 1 & 2 and September 5, 6 & 7.

MEMORANDUM

TO: Board Members

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

**SUBJECT: Monthly Review of FY 2015/16 Financial Statements for Three Months
Ending September 30, 2015**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2015/16 Financial Statements for three months ending September 30, 2015.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenue	3,958,235	3,656,785	4,869,264
Local Bridge Toll Revenue	3,674,806	4,820,598	2,615,826
Other Revenue	500	143,305	325
Total Operating Revenues	7,633,540	8,620,688	7,485,415
Expenses - Year To Date:			
Planning & Administration	500,400	756,164	586,553
Ferry Services	7,133,140	7,864,524	6,898,862
Total Operatings Expenses	7,633,540	8,620,688	7,485,415
System-Wide Farebox Recovery %	55%	46%	71%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2015/16 Budget
Revenues:		
Federal Funds	2,861,826	9.45%
State Funds	3,370,061	13.67%
Bridge Toll Revenues	1,595,680	12.64%
Other Local Funds	478,810	13.67%
Total Capital Revenues	8,306,376	11.69%
Expenses:		
Total Capital Expenses	8,306,376	11.69%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 2015/16 Statement of Revenues and Expenses
For Three Months Ending 09/30/2015

% of Year Elapsed 25.2%

	Current Month	Year - To - Date			Budget	
		FY2014/15 Actual	FY 2015/16 Budget	FY 2015/16 Actual	FY 2015/16 Total	% of Total
OPERATING EXPENSES						
<u>PLANNING & GENERAL ADMIN:</u>						
Wages and Fringe Benefits	103,034	298,126	380,099	295,156	1,508,000	19.6%
Services	89,817	158,190	375,058	276,925	1,488,000	18.6%
Materials and Supplies	965	1,762	7,058	4,638	28,000	16.6%
Utilities	1,677	2,016	5,797	4,660	23,000	20.3%
Insurance	-	18,335	5,797	-	23,000	0.0%
Miscellaneous	17,633	17,688	30,247	23,252	120,000	19.4%
Leases and Rentals	23,726	68,918	75,868	71,246	301,000	23.7%
Admin Overhead Expense Transfer	(30,582)	(64,635)	(123,759)	(89,323)	(491,000)	18.2%
Sub-Total Planning & Gen Admin	206,271	500,400	756,164	586,553	3,000,000	19.6%
<u>FERRY OPERATIONS:</u>						
<u>Harbor Bay FerryService</u>						
Purchased Transportation	110,153	326,158	460,580	383,387	1,827,300	21.0%
Fuel - Diesel & Urea	21,253	112,761	116,197	77,516	461,000	16.8%
Other Direct Operating Expenses	28,962	90,531	125,876	81,664	499,400	16.4%
Admin Overhead Expense Transfer	5,350	11,773	20,668	15,460	82,000	18.9%
Sub-Total Harbor Bay	165,717	541,223	723,322	558,028	2,869,700	19.4%
Farebox Recovery	70%	53%	41%	64%	41%	
<u>Alameda/Oakland Ferry Service</u>						
Purchased Transportation	450,526	1,563,871	1,477,633	1,455,997	5,862,350	24.8%
Fuel - Diesel & Urea	82,800	396,408	397,755	285,124	1,578,050	18.1%
Other Direct Operating Expenses	60,768	183,696	304,230	183,967	1,207,000	15.2%
Admin Overhead Expense Transfer	13,993	24,569	55,200	40,668	219,000	18.6%
Sub-Total Alameda/Oakland	608,087	2,168,544	2,234,819	1,965,755	8,866,400	22.2%
Farebox Recovery	87%	57%	50%	82%	50%	
<u>Vallejo FerryService</u>						
Purchased Transportation	921,491	2,107,687	2,330,390	2,606,277	9,245,570	28.2%
Fuel - Diesel & Urea	274,797	1,347,994	1,273,083	826,607	5,050,820	16.4%
Other Direct Operating Expenses	76,383	209,937	372,804	240,003	1,479,060	16.2%
Admin Overhead Expense Transfer	4,939	13,186	22,685	14,951	90,000	16.6%
Sub-Total Vallejo	1,277,610	3,678,804	3,998,963	3,687,837	15,865,450	23.2%
Farebox Recovery	64%	62%	51%	73%	51%	
<u>South San Francisco FerryService</u>						
Purchased Transportation	167,535	467,787	584,238	489,829	2,317,900	21.1%
Fuel - Diesel & Urea	26,300	157,679	159,425	98,191	632,500	15.5%
Other Direct Operating Expenses	26,046	103,997	138,555	80,976	549,700	14.7%
Admin Overhead Expense Transfer	6,300	15,107	25,205	18,245	100,000	18.2%
Sub-Total South San Francisco	226,181	744,570	907,422	687,241	3,600,100	19.1%
Farebox Recovery	25%	22%	20%	29%	20%	
Total Operating Expenses	2,483,866	7,633,540	8,620,689	7,485,415	34,201,650	21.9%
OPERATING REVENUES						
Fare Revenue	1,514,058	3,958,235	3,656,786	4,869,264	14,507,900	33.6%
Local - Bridge Toll	969,807	3,674,806	4,820,598	2,615,826	19,125,200	13.7%
Local - Alameda Tax & Assessment	-	-	143,306	-	568,550	0%
Local - Other Revenue	-	500	-	325	-	0%
Total Operating Revenues	2,483,866	7,633,540	8,620,689	7,485,415	34,201,650	21.9%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2015/16 Statement of Revenues and Expenses
For Three Months Ending 9/30/2015

Project Description	Current Month	Project Budget	Prior Years Actual	FY2015/16 Budget	FY2015/16 Actual	Future Year	% of Total Project Budget
CAPITAL EXPENSES							
FACILITIES:							
Maintenance and Operations Facilities							
North Bay Operations & Maintenance Facility	1,989,828	31,082,000	17,978,666	13,103,334	2,185,421	-	65%
Central Bay Operations & Maintenance Facility	-	45,600,000	3,182,898	14,317,102	303,065	28,100,000	8%
Float Rehabilitation/Replacement							
Regional Spare Float Replacement	815,024	3,862,000	1,457,429	2,404,571	823,822	-	59%
Replace Mooring Piles - Harbor Bay Float	1,558	450,000	-	450,000	2,962		
Terminal Improvement							
Electronic Bicycle Lockers	-	79,500	-	79,500	-	-	0%
Channel Dredging - Vallejo Ferry Terminal	867,973	1,900,000	57,854	1,842,146	887,982	-	50%
Terminal Access Improvement	-	250,000	-	250,000			0%
FERRY VESSELS:							
Major Component Rehabilitation / Replacement							
Vessel Engine Overhaul - Gemini Class Vessels	-	1,320,000	777,927	542,073	-	-	59%
Selective Catalyst Reduction (SCR) System Overhaul	-	1,400,000	-	700,000	-	700,000	0%
Major Component & Waterject Rehab - Intintoli	1,345	2,860,000	-	2,860,000	1,345	-	0%
Major Component Rehabilitation - Solano	-	430,000		430,000			0%
Vessel Mid-Life Repower/Refurbishment							
Vessel Mid-Life Refurbishment - Peralta	-	5,260,000	3,373,932	1,886,068	11,556	-	64%
Vessel Quarter-Life Refurbishment - Gemini	20,000	2,400,000	-	2,400,000	30,031		1%
Vessel Expansion/Replacement							
Purchase Replacement Vessel - Express II & Encinal	3,624,879	33,951,000	3,227,001	17,086,999	3,702,152	13,637,000	20%
Purchase Replacement Vessel - Vallejo	-	21,052,000	387	4,999,613	749	16,052,000	0%
CAPITAL EQUIPMENT / OTHER:							
Purchase Heavy Duty Forklift	-	120,000	-	120,000	-	-	0%
Purchase Utility Vehicles	-	35,000	-	35,000	-	-	0%
SERVICE EXPANSION:							
Environmental Studies / Conceptual Design							
Berkeley Terminal - Environ/Concept Design	-	2,335,000	2,186,799	148,201	-	-	94%
Terminal/Berthing Expansion Construction							
Downtown Ferry Terminal Expansion - South Basin	98,199	79,580,000	3,269,602	4,180,398	201,593	72,130,000	4%
Richmond Ferry Terminal	106,006	17,062,500	791,931	1,240,569	155,511	15,030,000	6%
Expansion Ferry Vessels							
Richmond Ferry Vessels - 2 each	187	42,000,000	-	2,000,000	187	40,000,000	0%
Total Capital Expenses	7,524,999	293,029,000	36,304,428	71,075,573	8,306,376	185,649,000	
CAPITAL REVENUES							
Federal Funds	2,770,518	65,275,756	9,114,783	30,289,489	2,861,826	25,871,485	18%
State Funds	2,772,385	166,257,383	22,272,394	24,660,205	3,370,061	119,324,784	15%
Local - Bridge Toll	1,514,042	54,815,921	3,467,192	12,622,848	1,595,680	38,725,881	9%
Local - Alameda Sales Tax Measure B	467,743	5,079,940	1,450,059	2,263,031	478,217	1,366,850	38%
Local - Alameda TIF / LLAD	312	450,000	-	90,000	593	360,000	0%
Local - San Francisco Sales Tax Prop K	-	1,100,000	-	1,100,000	-	-	0%
Local - Transportation Funds for Clean Air	-	50,000	-	50,000	-	-	0%
Total Capital Revenues	7,524,999	293,029,000	36,304,428	71,075,573	8,306,376	185,649,000	

MEMORANDUM

TO: Board Members

FROM: Peter Friedmann, WETA Federal Legislative Representative
Ray Bucheger, WETA Federal Legislative Representative

SUBJECT: WETA Federal Legislative Board Report – October 29, 2015

This report is divided into two sections:

1. Political Support for WETA FTA Grant Application
2. House T&I Passes Surface Transportation Bill – Lobbying Efforts to Focus on Conference Committee

Political Support for WETA FTA Grant Application

WETA is seeking \$4 million in funding for the Downtown San Francisco Ferry Terminal Expansion project from the FTA Ferry Discretionary Grant Program. We were successful obtaining FTA grant money during the last round of funding thanks in large part to strong support from the Bay area Congressional delegation. Working with our labor union friends in Washington DC, we have been able to get similar political support for this particular grant request, with letters in hand from ten members of the Bay Area Congressional delegation, and a separate letter from Leader Pelosi. We are awaiting similar letters of support from Senators Feinstein and Boxer. It is worth noting that Reps DeSaulnier and Lee took a leadership role on the delegation letter.

House T&I Passes Surface Transportation Bill – Lobbying Efforts Turn to Conference Committee

The House Transportation and Infrastructure (T&I) Committee passed a six-year surface transportation bill this month. The bill extends the FHWA formula program and makes changes to the program to assure that funds only go to public systems/infrastructure and that unspent money is redistributed to systems that do spend their grants. While these changes will add some funding for WETA, the House bill does not achieve our primary objective, which is to increase the overall level of funding for ferries and make changes to the formula, both of which we accomplished in the Senate bill. The Senate bill increases annual funding from \$67 million to \$75 million and changes the formula from one that disadvantages WETA [45 percent vehicles, 35 percent route miles, 20 percent passengers] to one that is more favorable for WETA [35 percent passengers, 35 percent vehicles, 30 percent route miles].

Even though the T&I Committee-passed bill has yet to receive a vote in the full House (as of the time of this report), we are already implementing a strategy for the conference committee negotiations. After the House passes its version of the surface transportation bill, House and Senate leaders will come together to reconcile the differences between the two bills. We will leverage the coalitions that we have assembled over time (labor unions, other ferry systems, etc) to exert pressure on our Congressional supporters to advocate for the FHWA ferry formula that is more advantageous to WETA.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING

(October 1, 2015)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the WETA offices at 9 Pier, Suite 111, San Francisco, CA.

1. CALL TO ORDER – BOARD CHAIR

Chair Jody Breckenridge called the meeting to order at 1:02 p.m.

2. PLEDGE OF ALLEGIANCE AND ROLL CALL

Chair Breckenridge led the Pledge of Allegiance. Directors present were Director Timothy Donovan, Director Anthony Intintoli and Director James Wunderman.

3. REPORT OF BOARD CHAIR

No report.

4. REPORTS OF DIRECTORS

Director Wunderman reported that he had attended the Bay Area Council (BAC) Water Transit Subcommittee meeting which had included information about electric ferry vessels. He said the meeting had also been attended by Metropolitan Transportation Commission (MTC) Legislation and Public Affairs Director Randy Rentschler and that the subcommittee was working to improve MTC's understanding of water transit and emphasize the need for water transit funding.

Director Wunderman also extended an invitation to join him on a trip to Seattle from November 22-24 organized by BAC to learn from Seattle, King County and Washington State about ferry service and water transit by contacting BAC Policy Manager Emily Loper. He noted that Mr. Connolly was already committed to the trip and that California Lieutenant Governor Gavin Newsom was expected to lead the trip.

5. REPORTS OF STAFF

Executive Director Nina Rannells referred the Board to her written report and noted that she also attended the BAC Water Transit Subcommittee meeting. She indicated that the conversation with MTC was positive, and that they had been increasingly receptive to including ferry transit in the conversation about transportation solutions in the past year.

Ms. Rannells introduced Manager of Operations Keith Stahnke who shared an update on the vessels that were under construction at Vigor Kvichak in Seattle. Mr. Stahnke explained that WETA presently utilized a fleet of eleven vessels; four 34-knot vessels for the Vallejo service and seven 25-knot vessels for the central bay services. He said that the new boats would be 27-knot vessels with a 400-passenger capacity. Mr. Stahnke shared a slideshow detailing the progress of the vessel construction and noted that the first vessel was expected to be completed in late 2016 and the second in spring 2017.

Ms. Rannells advised the directors that the U.S. Coast Guard (USCG) had completed a risk assessment for the manning requirements for the Vallejo vessels. She noted that the USCG had confirmed that current manning levels were sufficient and no change would be required. Mr. Stahnke explained that the risk assessments would be included in the official USCG Certificates of Inspection.

He added that WETA had received a copy of assessment report. Ms. Rannells said Vallejo had been assessed first because the fiscal impact was significant. She said the next step in the USCG's risk assessment process would be for the other vessels to undergo a similar review and that staff had already prepared and provided the necessary information to USCG for their review.

Chair Breckenridge asked if the process had also begun for the two vessels that were under construction. Mr. Stahnke said staff had met with the USCG and the vessels would be evaluated as they were brought into service.

Ms. Rannells said that Senate Bill 231 had been signed by the Governor clearly stating that ferries were eligible for both the Low Carbon Transit Operation Program (LCTOP) and Affordable Housing and Sustainable Communities Program (AHSC) funding.

Ms. Rannells noted that service would be augmented to support anticipated increased ridership demand during Fleet Week. She then introduced Administrative/Policy Analyst Lauren Gularte who would be observing the Defense Support of Civilian Authorities (DSCA) exercise planned for October 5 at Pier 50 during the 2015 San Francisco Fleet Week. Ms. Gularte explained that the exercise was to rehearse coordination between federal, state and local agencies to test disaster transportation and logistics strategies in an emergency response environment. Chair Breckenridge added that DSCA was military support to local authority.

Ms. Gularte also provided an overview of the Urban Shield Yellow Command emergency response exercise in which WETA staff had participated on September 11. She reported that she had participated as the WETA Liaison at the California Office of Emergency Services' (Cal OES) Regional Emergency Operations Center (REOC) in Walnut Creek, along with Chair Breckenridge who observed the exercise. Ms. Gularte reported that the exercise had provided an opportunity to activate and staff the WETA Emergency Operations Center (EOC). She noted that the After Action Report and Improvement Plan for the exercise listed several opportunities for improvement including a need to review and update procedures with the CalOES Coastal Region, cross training, and communications device audit and review. Director Donovan, who had observed the exercise from the WETA EOC, felt it had gone very well and agreed with the opportunities that surfaced.

Chair Breckenridge said the exercise had been important and felt WETA had learned a lot in the process. Chair Breckenridge emphasized that fuel distribution was a vital component in emergency response, and Ms. Gularte said that WETA would be participating in an over-the-water fueling exercise involving WETA vessels and a Maritime Administration (MARAD) ship this winter. Mr. Stahnke clarified that the exercise would test hose connections and not involve actual fueling.

Public Comment

Jerry Bellows of MARAD the said he and MARAD were also looking forward to the fueling exercise and wanted to remind everyone that MARAD ships would be open to the public during Fleet Week.

Director Wunderman asked for clarification on the general perception of WETA as an emergency response agency. Ms. Rannells noted that the general perception and understanding of the agency's roles and responsibilities has improved as WETA has recently re-engaged federal, state and local partners as a part of updating the WETA Emergency Response Plan. Ms. Rannells noted further that WETA is not a first responder and that until recently some stakeholders had been unfamiliar with WETA's emergency response role, capabilities and how the agency fits into the overall emergency response framework. Ms. Gularte added that while not a catastrophic disaster, the BART strike and service interruptions that had occurred in the last few years had afforded WETA opportunities to provide much needed transit assistance to mitigate Bay Area travel disruption, highlighting WETA's emergency response capabilities.

Chair Breckenridge felt that WETA was perceived as a full partner playing a key transportation role. She further noted that details and logistics including credentialing, staffing and training needed to be addressed to assure WETA could respond effectively.

Director Intintoli asked for clarification regarding the tax benefit for transit commuters and Ms. Rannells explained that the program offered a convenient way for employees to lower their commuting costs by utilizing pretax dollars to pay for commuting to work.

Director Intintoli also asked about the challenges WETA experienced on the prior Tuesday, September 29 when buses were called in to support the Vallejo evening commute. Ms. Rannells explained that two vessels had experienced a mechanical failure and a BayAlerts notice had been sent to Vallejo subscribers advising riders that the scheduled ferry would be replaced by buses. Mr. Stahnke further explained that one of the mechanical issues was fixed and a vessel was placed back into service within approximately 30 minutes. He confirmed that commuters were informed of the delay via the BayAlerts system and in person by vessel crews and Blue & Gold Fleet staff.

Public Comment

Hans Korve of Korve Consulting LLC suggested the use of electronic displays and a public announcement system to provide schedule information and change notifications.

Ms. Rannells clarified that a messaging system existed; however, any additional property work improvements would be at the direction of the property owner, Port of San Francisco.

Manager of Public Information and Marketing Ernest Sanchez explained that public and rider communication improvement was a continuing process involving a host of methods including the BayAlerts subscription service, social media outlets, printed collateral, printed and NextBus electronic signs at the terminals and on vessels, in-person conversations and the WETA website. He added that in addition to events such as vessel mechanical failure that cause schedule disruption, communicating clearly and effectively with the public was also a critical aspect of WETA's emergency response planning.

Mr. Sanchez further noted that advising riders proactively about what to expect and what to do in the event of emergency, prior to an actual event occurrence, was crucial to effective communication with riders and the public generally. He added that Guest Assistance Representatives (GARs) were dispatched to the terminal to assist riders who may not be BayAlerts subscribers and may not be aware of the issues and noted that WETA would be adding a message crawler to its website. Mr. Stahnke noted that permanent GARs staffing is important with surges in ridership, but that this also adds to the cost of providing services.

Director Donovan requested clarification on the noted in Peter Friedmann's federal legislative report regarding new U.S. Federal Transit Administration (FTA) Disadvantaged Business Enterprise requirements for new vessel construction. Ms. Rannells explained that she and staff have been working with FTA at the staff level to understand and develop and approach to comply with this new requirement. The new FTA rule will require WETA to set a project-specific DBE goal for vessel construction projects instead of including new vessel construction in the agency's overall DBE goal. Ms. Rannells noted that FTA had used the model of new bus procurements as the basis for this rule change, which is very different than the vessel construction process. She emphasized that the U.S. Federal Transit Administration (FTA) did not consult with the ferry community prior to the institution of the new regulation. Chair Breckenridge added that the specialized work has limited availability of DBEs and that this rule could have large implications on the entire industry. Ms. Rannells noted that one of

her primary concerns under the new rule is the potential for delay as the goal and methodology must be approved by FTA, which could take months.

Director Wunderman said that with the new Speaker of the House, he was optimistic that a long term transportation bill would be passed this month and added that getting language into the bill for water transportation funding would be prudent.

Public Comment

Mr. Bellows asked for an update on Seaplane Lagoon. Manager of Planning and Development Kevin Connolly said the developer received proposals last week.

6. CONSENT CALENDAR

Director Intintoli made a motion to approve the consent calendar which included:

- a) Board of Directors meeting minutes of September 3, 2015
- b) Approval of an Amended and Restated Clipper Memorandum of Understanding with Metropolitan Transportation Commission and Bay Area Transit Operators

Director Donovan seconded the motion and the consent calendar carried unanimously.

Yeas: Breckenridge, Donovan, Intintoli, Wunderman. Nays: None. Absent: DelBono.

7. APPROVE CONTRACT AWARD TO VORTEX MARINE CONSTRUCTION, INC. FOR MARINE CONSTRUCTION SERVICES FOR THE HARBOR BAY PILING REPLACEMENT PROJECT

Mr. Stahnke presented the item recommending approval and award of a contract to Vortex Marine Construction, Inc., in an amount not to exceed \$425,000 for marine construction services to implement the Harbor Bay Piling Replacement Project and to authorize the Executive Director to negotiate and enter into a contract and take any other related actions as may be necessary to support this work.

Chair Breckenridge asked if the recommendation to increase the diameter and length of the pilings was so that the pilings could be further driven in to provide stronger support and Mr. Stahnke said yes.

Director Donovan made a motion to approve the item. Director Intintoli seconded the motion and the item carried unanimously.

Yeas: Breckenridge, Donovan, Intintoli, Wunderman. Nays: None. Absent: DelBono.

8. APPROVE THE AWARD OF A SOLE SOURCE CONTRACT TO VALLEY POWER SYSTEMS NORTH, INC. FOR TAURUS MAIN ENGINE OVERHAUL PROJECT

Mr. Stahnke presented the item recommending approval of the following actions associated with the overhaul of the port main engine on the vessel *Taurus*:

1. Add the *Taurus* Main Engine Overhaul project to the FY 2015/16 Capital Budget for a total project cost of \$300,000; and
2. Award a sole source contract to Valley Power Systems North, Inc. (VPSNI) in an amount not to exceed \$210,000, for the *Taurus* Main Engine Overhaul and authorize the Executive Director to negotiate and execute an agreement for this work.

Mr. Stahnke recommended a sole source contract to address the need for factory parts and installation from an MTU factory authorized dealership which would provide parts and labor warranties. He further noted that utilizing a dealer authorized by MTU to sell and install its parts significantly reduced WETA's financial risks in undertaking the engine overhaul project.

Director Donovan asked whether there was other similar work and costs for other vessels that should also be added to the current budget given the extra duty that WETA vessels had been called upon to perform during the last year. Mr. Stahnke said that while it was true that all of the vessels in the WETA fleet were being taxed with extra hours and that several of them would be up for their 10,000 mile services in the next two years, the *Taurus* engine overhaul work was advanced so that the project could be completed prior to the Spring/Summer operating season and included in the current capital budget period. He said the work in question was planned for early November and would take about eight days.

Director Intintoli made a motion to approve the item. Director Wunderman seconded the motion and the item carried unanimously.

Yeas: Breckenridge, Donovan, Intintoli, Wunderman. Nays: None. Absent: DelBono.

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

PUBLIC COMMENT

Veronica Sanchez of Masters, Mates and Pilots (MM&P) said that MM&P had advocated that waterfront developers requiring ferry and water taxi landings in their plans for future development. She said that at a San Francisco Port Commission meeting two weeks prior, the Commission had approved supporting language in the maritime policy for that inclusion. Ms. Sanchez further noted that despite missing a water transit piece in the new Warriors stadium plans for Pier 32, she expected that conversations about ferries for that area were not over and that she and her organization would continue to advocate on behalf of ferries and water transit in general. Chair Breckenridge thanked Ms. Sanchez for her support and efforts.

Mr. Kolve requested an update on the WETA Strategic Plan. Ms. Rannells said that staff expected to present the Plan to the Board in the next few months.

10. ADJOURNMENT

All business having been concluded, the meeting was adjourned at 2:12 p.m.

Respectfully Submitted,

Board Secretary

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Amendment to the Agreement with Valley Power Systems North, Inc. for Intermediate Overhaul of the Gemini Class Vessels Main Engines

Recommendation

Approve Amendment No. 1 to Agreement No. 14-013 with Valley Power Systems North, Inc. (VPSNI) authoring additional funds in the amount of \$30,000 to support the Vessel Engine Overhaul – Gemini Class Vessels project and authorize the Executive Director to execute the amendment and take any other related actions as may be necessary to support this work.

Background/Discussion

The Board awarded a contract to Valley Power Systems North, Inc. on August 20, 2014 to provide engine overhaul services for the four Gemini Class ferry vessels. The scope of work is a modified 7,000 hour service based on factory recommendations extending the interval between overhauls. The modified schedule allowed for a partial overhaul with the engines remaining in the vessels. A second phase of work will require the engines to be removed from the vessels at 10,000 to 12,000 engine hours (approximately two years from now) based upon inspection and monitoring. The intermediate engine overhaul has been completed on three of the four Gemini class vessels including the *Pisces*, *Scorpio* and *Taurus*.

Engine overhaul work on the final vessel, *Gemini*, is scheduled to be completed this winter. The *Gemini* is also scheduled for a minor quarter life refit this winter. Staff proposes to advance the full overhaul of the *Gemini* engines, rather than implementing a modified in-vessel 7,000 hour overhaul, as a part of the larger refit project. This would minimize duplication of work and overall downtime for the vessel and expedite the vessel refit project.

The proposed contract amendment will expand the scope of work for the last set of engines from a modified 7,000 hour overhaul to a full 7,000 hour overhaul. This work will be performed at VPSNI facilities instead of onboard the vessel. The increased cost of completing the full 7,000 overhaul on the two *Gemini* engines is approximately \$170,000, for additional labor and parts including camshafts, cylinders and pistons, which would be funded with the balance of funds in the contract and the supplemental funds requested as a part of this proposed contract amendment.

Fiscal Impact

Approval of Amendment No. 1 would increase the total not-to-exceed contract amount for Agreement #14-013 by \$30,000, from \$1,150,000 to \$1,180,000. The Vessel Engine Overhaul - Gemini Class Vessels project is included in the FY 2015/16 Capital Budget at a total project budget of \$1,320,000, funded with a combination of Federal Transit Administration (FTA) grant funds and AB664 Net Toll revenues. Sufficient funds are available within the total project budget to support this contract amendment.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2015-29

APPROVE AMENDMENT TO AGREEMENT WITH VALLEY POWER SYSTEMS NORTH, INC. FOR INTERMEDIATE OVERHAUL OF GEMINI CLASS VESSELS MAIN ENGINES

WHEREAS on August 20, 2014, the Board of Directors authorized entering into Agreement No. 14-013 Valley Power Systems North, Inc. for engine overhaul services for the Gemini Class Vessels for a not-to-exceed amount of \$1,150,000, and;

WHEREAS, WETA staff has identified the need for additional services and recommends amending the Agreement with Valley Power Systems North, Inc. to approve additional funds in the amount of \$30,000; now, therefore, be it;

RESOLVED, that the Board of Directors hereby approves Amendment No. 1 to Agreement No. 14-013 with Valley Power Systems North, Inc. for an additional \$30,000 for a not-to-exceed contract budget amount of \$1,180,000; and be it further;

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute the amendment and take any other related actions to support this work.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on November 5, 2015.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2015-29

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
Melanie Jann, Manager, Administration & Business Services**

SUBJECT: Meeting Schedule for Calendar Year 2016

Recommendation

Approve WETA Board of Directors meeting schedule for Calendar Year 2016.

Discussion

The WETA Board of Directors generally meets on the first Thursday of each month at 1:00 p.m. at WETA's offices located at 9 Pier, Suite 111, San Francisco, CA, with exceptions made to address holiday or business conflicts. Based upon a review of the 2016 calendar, staff proposes the following meeting dates for next year:

DATE:	TIME:	LOCATION/ADDRESS:
Thursday, January 14 (<i>2nd Thursday</i>)	1:00 p.m.	WETA
Thursday, February 4	1:00 p.m.	WETA
Thursday, March 3	1:00 p.m.	WETA
Thursday, April 7	1:00 p.m.	WETA
Thursday, May 5	1:00 p.m.	WETA
Thursday, June 2	1:00 p.m.	WETA
Thursday, July 7	1:00 p.m.	WETA
Thursday, August 4	1:00 p.m.	WETA
Thursday, September 1	1:00 p.m.	WETA
Thursday, October 6	1:00 p.m.	WETA
Thursday, November 3	1:00 p.m.	WETA
Thursday, December 8 (<i>2nd Thursday</i>)	1:00 p.m.	WETA

This schedule may be amended during the year to adjust the time, meeting place or number of meetings held in response to WETA's business needs.

Fiscal Impact

There is no fiscal impact associated with setting the Board meeting calendar.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Contract Award to Marine Group Boat Works for Ferry Vessel *Intintoli* Major Component and Waterjet Rehabilitation Project

Recommendation

Approve contract award to Marine Group Boat Works for the *Intintoli* Major Component and Waterjet Rehabilitation project in an amount not to exceed \$1,580,000 and authorize the Executive Director to negotiate and execute an agreement and take any other related actions as may be necessary to support this work.

Background

This project provides for replacement of the major propulsion train subcomponents of the MV *Intintoli*. The original MJP Mk I waterjets currently have 60,000+ operating hours. This project is required to ensure that the vessel can operate reliably and efficiently over the remainder of its economic lifetime. Replacement of the high wear subcomponents of the waterjets necessitates replacement and upgrades to other propulsion train subcomponents. This project will result in higher propulsive efficiency, more reliable operation, and reduced maintenance costs.

Preliminary engineering work was jointly completed by Advanced Multihull Design (original naval architect), MJP (waterjet manufacturer), ZF Marine (reduction gear manufacturer), and MTU (main engine and shafting manufacturer). The RFP requires that the installing shipyard complete the engineering for approval by WETA. All vessel modifications will be subject to US Coast Guard review, inspection, and approval.

This refit is planned for Winter/Spring 2016. During the work, other minor upgrades to the passenger cabins and minor vessel system upgrades will be accomplished. The vessel is expected to be out of service for 8 weeks to accomplish this work package.

Discussion

Procurement Process:

A Best Value procurement process was utilized for this project consistent with the Authority's Administrative Code and Federal Transit Administration requirements. A Best Value procurement process considers both price and qualitative components of a proposal that are deemed the most advantageous and of the greatest value to the procuring agency.

The Request for Proposals (RFP) was released on August 25, 2015. Notice of this RFP was sent to WETA's mailing list, posted on the Agency's website, and advertised with the San Francisco Chronicle, and in the Regional DBE Business Outreach Committee quarterly newsletter.

On September 10, 2015, WETA hosted a mandatory Proposers' conference at Pier 9 which was attended by six individuals representing two shipyards. WETA staff issued two addenda to the original RFP clarifying the specifications set forth in the RFP, and responding to pre-bid questions. Proposals were due to WETA on or before October 9, 2015.

Evaluation Process:

The RFP required proposers to submit technical qualifications for review and scoring, as well as a separate price proposal that was reviewed if the proposer met the technical requirements. The technical portion of the evaluation process amounted to 60 percent of the total possible score. Technical scores considered each proposer's technical approach, ability to meet the project schedule, understanding of the project, management plan, and experience in similar projects, references, qualifications of its proposed team, and its facilities and equipment.

A total of two proposals were received by the October 9 deadline. Submitting shipyards were Bay Ship & Yacht and Marine Group Boat Works. The proposal evaluation committee reviewed the technical portion of the proposals, both of which met the technical requirements and were determined to be within the competitive range. Interviews with Marine Group and Bay Ship & Yacht were conducted on October 22, and best and final offers were received on October 26. Table 1 below provides the scoring totals for each proposal.

Table 1

Scoring	Maximum Points	Bay Ship & Yacht	Marine Group Boat Works
Total Technical Proposal Points	60	40.625	44.500
Price Proposal Points	40	27.907 (\$1,788,277.00)	40.00 (\$1,373,148.91)
Total Score	100	68.532	84.500

Based upon the results of the evaluation process and final scores for each bidder, Marine Group Boat Works has been determined to be the Best Value proposer for this project. Accordingly, staff recommends awarding a contract to Marine Group Boat Works and proposes that this award include a 15 percent owner's contingency to allow for additive changes for work not yet identified but that may be necessary to satisfactorily complete the project. The recommended award including contingency is \$1,580,000. If approved, staff will issue the Notice to proceed for design and engineering activities as soon as possible, with shipyard work to begin in February 2016. Work for the project is expected to be completed by April, 2016.

DBE/SBE Participation:

The Authority's overall annual Disadvantaged Business Enterprise (DBE) goal and Small Business Enterprise (SBE) goal for Federal Fiscal Year 2015/16 is 1.36 percent for all FTA-assisted contracts. Staff has reviewed the DBE/SBE materials provided by Marine Group Boat Works and has determined that they have complied with the DBE requirements for this contract.

Fiscal Impact

The *Intintoli* Major Component and Waterjet Rehabilitation project is included in the FY 2015/16 Capital Budget in the total amount of \$2,860,000 and is funded with Federal Transit Administration (FTA) grant funds and Regional Measure 1 – 2% (RM1 2%) Bridge Toll revenues. Sufficient funds are available in the project budget to support the award of this contract.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2015-30

APPROVE THE AWARD OF A CONTRACT WITH MARINE GROUP BOAT WORKS LLC FOR SHIPYARD SERVICES FOR THE MV *INTINTOLI* MAJOR COMPONENT AND WATERJET REHABILITATION PROJECT

WHEREAS, San Francisco Bay Area Water Emergency Transportation Authority (WETA) has established the MV *Intintoli* Major Component and Waterjet Rehabilitation Project as a part of its FY 2015-16 Capital Budget and program of projects; and

WHEREAS, WETA has established procedures in its Administrative Code relating to the selection and contracting of Construction Services, including projects where FTA funds will be used; and,

WHEREAS, WETA has Federal Transit Administration (FTA) and local match funds to support the Project; and

WHEREAS, on August 25, 2015, WETA issued an Request for Proposals (RFP) for Major Component and Waterjet Rehabilitation shipyard work for the Project; and

WHEREAS, WETA followed the procedures in its Administrative Code, consistent with an FTA project regarding solicitation and evaluation of qualifications; and,

WHEREAS, WETA staff has evaluated proposals submitted for this project based upon a Best Value competitive procurement process and, as a result, recommends the award of a contract for services to Marine Group Boat Works, LLC, to complete this project for a not-to-exceed amount of \$1,580,000 which includes a 15 percent owner's contingency; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves an agreement with Marine Group Boat Works to provide shipyard services for the MV *Intintoli* for an amount not to exceed \$1,580,000 which includes a 15 percent owner's contingency; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute a contract for this work and to take any other related actions as may be necessary to support this work.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on November 5, 2015.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2015-30

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Mike Gougherty, Senior Planner

SUBJECT: Authorize the Release of Request for Proposals for Construction of Central Bay Operations and Maintenance Facility

Recommendation

Authorize the release of a Request for Proposals for Construction of the Central Bay Operations and Maintenance Facility.

Background

The Central Bay Operations and Maintenance Facility will be the future home of WETA's central San Francisco Bay ferry fleet, providing a consolidated base for WETA to maintain vessels operating on its Alameda/Oakland, Alameda Harbor Bay, and South San Francisco ferry routes, as well as future Richmond and Treasure Island services under development. The facility will also include an Operations Control Center for service dispatch and emergency response coordination and operations activities.

The project site is located near Pier 3 of the Naval Air Station Base Realignment and Closure area known as Alameda Point. The project will include development of approximately 1 acre of landside property and 1/2 acre within San Francisco Bay. The site is currently home to remnants of a former small vessel marina operated by the U.S. Navy. All debris, including a dilapidated pier extending into San Francisco Bay, would be removed as part of this project. WETA is working with the City of Alameda to provide an alternative haul-out location for a group of Harbor Seals that have been observed at the pier in recent years.

The facility will include a 70-foot high four-story building and working yard along the Alameda Point shoreline that will support light repair and maintenance work, spare parts storage, concession supply, administrative office space, records storage and deliveries. Across the street (W. Hornet Avenue) from the building, WETA will also construct a diesel fuel facility with a total storage capacity of 48,000 gallons – enough to operate WETA's central bay services for up to a week in the event of an emergency. Extending from the shoreline of the project site and into the Bay will be a marine facility with berthing slips for 12 ferry vessels. Each slip will be outfitted with equipment to deliver fuel and utility hook-ups to WETA vessels, while a limited number of slips will be specially outfitted to meet regular vessel maintenance needs such as engine oil changes and life raft servicing.

As part of the project, WETA is committed to making the surrounding areas of its project site more attractive and accessible for Alameda residents and the public at-large. WETA will improve approximately ½ acre of land adjacent to the project site and within a future area designated as parkland by the City of Alameda. The improvements will

include expansion of the San Francisco Bay Trail, construction of a shoreline viewing terrace, bicycle parking, interpretive signage, improved lighting and landscaping, and seating.

Discussion

This item seeks Board authorization to release a Request for Proposals (RFP) for Design/Build construction of the Central Bay Operations and Maintenance Facility Project. The independent cost estimate prepared for construction of the project is approximately \$45 million. WETA has secured the services of 4Leaf, Inc. to provide Construction Management services and serve as the Owner's Designated Representation for the project.

Pending Board authorization, staff anticipates releasing the RFP to potential Offerors by the end of November 2015 and tentatively requiring that proposals be submitted by the end of January 2016. Staff will evaluate all proposals pursuant to provisions of the RFP and potentially present a recommendation to the Board for contract award as early as April 2016. Final design work and construction are estimated to be completed within 18-22 months following contract award.

Fiscal Impact

There is no fiscal impact associated with the release of the project RFP. This project is included in the FY 2015/16 Capital Budget with a total project budget of \$45.6 million funded with Federal Transit Administration and State Proposition 1B grant funds.

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director

SUBJECT: Approve a Project Labor Agreement for Construction of the Central Bay Operations and Maintenance Facility Project

Recommendation

Approve utilization of a Project Labor Agreement for construction of the Central Bay Operations and Maintenance Facility project and authorize the Executive Director to negotiate and execute the final agreement and take other such related actions to support this project.

Background

A Project Labor Agreement (PLA) is a form of pre-hire agreement which is negotiated between a construction project owner and the local building and trades labor unions in the project area in order to promote efficiency of construction operations. A PLA is contractually binding and becomes a part of the bid specification that all winning contractors must follow. Once executed, a PLA remains in effect for the duration of project construction.

In 2013, the Board of Directors requested staff to work with county building trades councils in the San Francisco Bay Area to develop a standard form of PLA for use in conjunction with large construction projects to be implemented in the upcoming years including the North Bay Operations and Maintenance Facility, Central Bay Operations and Maintenance Facility, Richmond Ferry Terminal and the Downtown San Francisco Terminal Expansion. In December 2013, the Board of Directors approved a Model Project Labor Agreement (PLA) to serve as the agency's template in developing project-specific PLAs for upcoming large construction projects noted above. This model agreement was used as the basis for developing a PLA between WETA and the Napa-Solano Building Trades Council that is currently in place for the North Bay Maintenance and Operations Facility Project.

Discussion

The San Francisco Bay Area Water Emergency Transportation Authority (WETA), as construction project owner for the Central Bay Operations and Maintenance Facility located in Alameda, CA, has worked with the Building Trades Council of Alameda County to develop the terms of a PLA for this project based on the WETA's Model PLA (provided as **Attachment A**). The objective of the proposed agreement is to advance the public interest of promoting labor harmony and project efficiency during construction of the Central Bay Operations and Maintenance Facility. In support of these goals, the proposed PLA:

- Provides for uniformity in bidding work by identifying pre-established wages, work rules, and benefits for the multiple crafts employed on a project;
- Establishes a pre-job conference with all affected parties to review and clarify the work assignments up-front in order to avoid conflicts during construction;
- Identifies roles, responsibilities and procedures for addressing work disputes that may arise during construction in a timely and expeditious manner;
- Prohibits work stoppages, strikes and lockouts at the project construction site and identifies a process for expedited arbitration and resolution in the event of a breach of this provision; and
- Identifies various mechanisms for labor and management cooperation on matters of mutual interest and concern such as productivity, quality of work, safety and health.

Two additional provisions included in the proposed PLA that are not in the Model PLA include:

- A Core Employee provision, identifying a process for contractors to utilize their own local core workforce on the project; and
- A payment retention option in the dispute resolution process in order to facilitate expeditious closure of issues and minimize project disruption.

This agreement recognizes the Council's unions as the primary source of craft labor employed on the project. However, in the event that a contractor proposes to utilize its own local core workforce, the agreement allows for a limited number of "core employees" to be utilized on the project through a prescribed process. This and several other management rights provisions contained in the agreement are included to promote project work and cost efficiencies and to help ensure fair and open competition to all potential bidders.

If approved by the Board, the agreement would be between the WETA and the Council, and its signatory unions, for construction work to be performed by any of these groups on the project. The winning project construction contractor/employer, and any sub-contractors, would be required to comply with and be bound by the agreement through a Letter of Assent.

Fiscal Impact

There is no fiscal impact associated with this item.

END

PROJECT LABOR AGREEMENT
FOR CONSTRUCTION OF THE SAN FRANCISCO BAY AREA WATER
EMERGENCY TRANSPORTATION AUTHORITY CENTRAL BAY OPERATIONS
AND MAINTENANCE FACILITY PROJECT

This Agreement is entered into this ___ day of _____, 2015 by and between the San Francisco Bay Area Water Emergency Transportation Authority (hereinafter, the "WETA" or "Owner"), together with contractors and/or subcontractors, who become signatory to this Agreement by signing the "Letter of Assent" (Addendum A) (all of whom are referred to herein as "Contractors/Employers"), and the Building Trades Council of Alameda County ("Council") and its affiliated local Unions that have executed this Agreement (all of whom are referred to collectively as "Union" or "Unions").

The purpose of this Agreement is to promote efficiency of construction operations during construction of the WETA Central Bay Operations & Maintenance Facility Project (defined below) by providing for the orderly and peaceful settlement of labor disputes and grievances without strikes, work stoppages or lockouts, thereby promoting the public interest in assuring the timely and economical completion of the Project.

WHEREAS, WETA is developing a new ferry operations and maintenance facility, located at Alameda Point in the City of Alameda, to serve as an operations facility and provide for the mooring and maintenance of vessels utilized in WETA services; and

WHEREAS, this Agreement is intended solely for the Central Bay Operations & Maintenance Facility, which includes the construction of landside and waterside facilities and infrastructure (the "Project"); and

WHEREAS, the timely and successful completion of the Project is of the utmost importance to WETA and the general public; and

WHEREAS, large numbers of workers of various skills will be required in the performance of the construction work, including those to be represented by the Unions signatory

to this Agreement employed by contractors and subcontractors who are also signatories to this Agreement; and

WHEREAS, it is recognized that on a project of this magnitude with multiple contractors and bargaining units on the job site at the same time over an extended period of time, there is the potential for work disruption that could negatively impact the continuity of work and the Project schedule; and

WHEREAS, the interests of the general public, WETA, the Unions and Contractor/Employer(s) would be best served if the construction work proceeded in an orderly manner without disruption because of strikes, sympathy strikes, work stoppages, picketing, lockouts, slowdowns or other interferences with work; and

WHEREAS, WETA, the Contractor/Employer(s) and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on the Project by the Contractor/Employer(s), and further, to encourage close cooperation among the Contractor/Employer(s) and the Union(s) so that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, the parties agree that one of the primary purposes of this Agreement is to avoid the tensions that might arise on the Project if Union and non-union workers of different employers were to work side by side on the Project thereby leading to labor disputes that could delay completion of the Project; and

WHEREAS, this Agreement is not intended to replace, interfere with, abrogate, diminish or modify existing local or national collective bargaining agreements in effect during the duration of the Project, insofar as a legally binding agreement exists between the Contractor/Employer(s) and the affected Union(s) except to the extent that the provisions of this Agreement are inconsistent with said collective bargaining agreements, in which event, the provisions of this Agreement shall prevail; and

WHEREAS, the parties hereto are committed to constructing the Project safely and efficiently and the Unions are committed to staffing Project work with qualified craft workers;

and

WHEREAS, the Project is funded with various grant funds and, as such, is subject to and must comply with a variety of local, regional, state and federal regulations imposed as a result of such funding sources; and

WHEREAS, this Agreement will be an exhibit to the contract for construction of the Project to be awarded by WETA in accordance with applicable provisions of the California Public Contract Code, Federal, State and local regulations, ordinances and laws; and

WHEREAS, WETA has the absolute right to select as its prime contractor the entity offering the best value to WETA; and

WHEREAS, the parties to this Agreement pledge their full good faith and trust to work towards a mutually satisfactory completion of the Project;

NOW, THEREFORE, IT IS AGREED BETWEEN AND AMONG THE PARTIES HERETO, AS FOLLOWS:

ARTICLE I

DEFINITIONS

1.1 "Agreement" means this Project Labor Agreement.

1.2 "Apprentice" means an individual registered and participating as an apprentice in a Joint Labor/Management Apprenticeship Program approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards.

1.3 "Construction Contract" means the public works or improvement contract(s) awarded by WETA for Central Bay Operations & Maintenance Facility construction after execution of this Agreement that are necessary to complete the Project, including subcontracts at any tier, with respect to the Project work.

1.4 "Contractor/Employer(s)" means any individual, firm, partnership or corporation, or combination thereof, including joint ventures, that is an independent business enterprise and enters into a contract with WETA or its Project Manager or any of its contractors or

subcontractors at any tier, with respect to the construction of any part of the Project under contract terms and conditions approved by WETA and which incorporate this Agreement.

1.5 “Core Employee” means an employee who meets the requirements set forth in Section 8.3.

1.6 "Council" means the Building Trades Council of Alameda County and its affiliated local Unions.

1.7 “Letter of Assent” means the document, as set forth in Addendum A hereto, that formally binds the Contractor/Employer(s) to comply with all the terms and conditions of this Agreement and that operates as a pre-condition to performing work on the Project.

1.8 "Master Labor Agreement" or “MLA” means the Master Collective Bargaining Agreement of each craft Union signatory hereto, as listed in Addendum B, and a copy of which shall be submitted to WETA by the Council with its executed copy of this Agreement and retained on file with WETA for the duration of the project.

1.9 "Project" means the public work or improvement for the construction of the Central Bay Operations & Maintenance Project in Alameda, California. WETA and the Council may mutually agree in writing to add additional components to the scope of work of the Project covered under this PLA.

1.10 "Project Manager" means the person(s) or business entity(ies) designated by WETA to oversee all phases of construction on the Project and to oversee the implementation of this Agreement and who works under the guidance of WETA's Authorized Representative.

1.11 “Trust Agreement” means an agreement for an established vacation, pension or other form of deferred compensation plan, apprenticeship and health benefit funds established by an applicable Master Labor Agreement as set forth in Section 9.1.

1.12 "Union" or "Unions" means the Building Trades Council of Alameda County, AFL-CIO, ("the Council") and any affiliated labor organization signatory to this Agreement, acting in their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement

("Signatory Unions").

1.13 "WETA" or "Owner" means the San Francisco Bay Area Water Emergency Transportation Authority and its public employees, including managerial personnel.

ARTICLE II

SCOPE OF AGREEMENT

2.1 **Parties**: The Agreement shall apply to and is limited to all Contractors/ Employer(s) performing Construction Contracts (including subcontracts at any tier on the Project) who must execute a Letter of Assent, WETA, the Council and the Unions signatory to this Agreement, acting on their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement ("Signatory Unions").

2.2 **Project Description**: The Agreement shall govern all Construction Contracts for the Project, as defined in Article 1 above. Once a Construction Contract is completed, it is no longer covered by this Agreement. For the purposes of this Agreement, a Construction Contract shall be considered completed upon the filing of a Notice of Completion, or as otherwise provided by applicable State law.

2.3 **Covered Work**: This Agreement covers, without limitation, all on-site site preparation, surveying, construction, alteration, demolition, installation, painting or repair of buildings, structures and other works, and related activities for the Project, including geotechnical and exploratory drilling, and landscaping and temporary fencing that is within the craft jurisdiction of one of the Unions and which is directly or indirectly part of the Project, and including, without limitation to the following examples, pipelines (including those in linear corridors built to serve the project), pumps, pump stations, start-up, modular furniture installation, and on-site soils and material inspection and testing to be performed to complete the Project. On-site work includes work done for the Project in temporary yards or areas adjacent to the Project, and at any on-site or off-site batch plant constructed solely to supply materials to the

Project. This scope of work includes all soils and materials testing and inspection where such testing and inspection is a classification in which a prevailing wage determination has been published.

2.3.1 This Agreement shall apply to any start-up, calibration, performance testing, repair, maintenance, operational revisions to systems and/or subsystems performed after Completion unless it is performed by WETA employees or by a WETA contractor for service and maintenance operations.

2.3.2 This Agreement covers all on-site fabrication work over which WETA, Contractor(s) or subcontractor(s) possess the right of control (including work done for the Project in any temporary yard or area established for the Project.) Additionally, it is agreed hereby that this Agreement covers any off-site work, including fabrication work necessary for the Project defined herein that is covered by a current MLA or local addenda to a National Agreement of the applicable Union(s) that is in effect as of the execution date of this Agreement, to the fullest extent allowed by law.

2.3.3 The furnishing of supplies, equipment or materials which are stockpiled for later use shall in no case be considered subcontracting. Construction trucking work, such as the delivery of ready-mix, asphalt, aggregate, sand or other fill material which are directly incorporated into the construction process as well as the off-hauling of debris and excess fill material and/or mud, shall be covered by the terms and conditions of this Agreement, to the fullest extent allowed by law and by prevailing wage determinations of the California Department of Industrial Relations. Contractor/Employer(s), including brokers, of persons providing construction trucking work shall provide certified payroll records to WETA within ten (10) days of written request or as required by bid specifications.

2.4 Work covered by this Agreement within the following craft jurisdictions shall be performed under the terms of their National Agreements as follows: the NTL Articles of Agreement, the National Stack/Chimney Agreement, the National Cooling Tower Agreement, and the National Agreement of Elevator Constructors, and any instrument calibration work and

loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Technicians, with the exception that Articles IV, XII and XIII of this Agreement shall apply to such work.

2.5 The on-site installation or application of all items shall be performed by the craft having jurisdiction over such work. However, it is recognized that installation of specialty items which may be furnished by the general Contractor/Employer(s) shall be performed by construction persons employed under this Agreement who may be directed by other personnel in a supervisory role. Should a vendor insist that its own personnel must perform installation in order to protect the manufacturer warranty, WETA shall advise the Council and the WETA and the Council will meet and confer to find a resolution. Should WETA and the Council be unable to find a resolution, the vendor's claim shall be subject to the grievance arbitration procedure, in which case the vendor must show; that this requirement is consistent with the original equipment manufacturer or vendor's standard warranty agreement for such equipment and is consistent with industry practice in the geographic area regarding the particular material or equipment involved, and that the construction persons available for employment under this Agreement are not capable of performing the installation with or without further training; provided, however, that any additional training shall not affect critical path items on the Project. In such instances all other provisions of this Agreement shall apply.

2.6 Exclusions

- (1) The Agreement shall be limited to construction work on the Project.
- (2) The Agreement is not intended to, and shall not affect or govern the award of public works contracts by WETA which are not included in the Project.
- (3) The Agreement shall not apply to a Contractor/Employer's non-construction craft employees, including but not limited to executives, managerial employees, engineering employees and supervisors above the level of General Foreman (except those covered by existing MLAs), staff engineers or other professional engineers, administrative and management.

(4) This Agreement shall not apply to any work performed on or near or leading to the site of work covered by this Agreement that is undertaken by state, county, city or other governmental bodies or their contractors; or by public or private utilities or their contractors.

(5) Except as otherwise permitted herein, the Agreement shall not apply to service contracts or operation, inspection, testing or maintenance contracts entered into by WETA, including any such contract relating to the Project or to other WETA owned or operated facilities or services after completion of the Project.

(6) The Agreement shall not apply to officers or employees of WETA or of State and local public agencies.

(7) The Agreement shall not apply to the work or persons or firms that perform consulting, planning, scheduling, design, environmental consulting, geological consulting, construction management, legal or similar professional consulting services related to the Project.

(8) The Agreement shall not apply to the furnishing of supplies, equipment or materials that are stockpiled for later use.

(9) The Agreement shall not apply to off-site maintenance of leased equipment and on-site supervision of such work.

2.7 Award of Contracts: It is understood and agreed that WETA shall have the absolute right to select any qualified bidder for the award of Construction Contracts under this Agreement. The bidder need only be willing, ready and able to execute and comply with this Agreement.

ARTICLE III

EFFECT OF AGREEMENT

3.1 Notwithstanding anything to the contrary in this Agreement, the Agreement shall not become effective until it is approved and signed by: WETA and the Council. By executing the Agreement, all parties agree to be bound by each and every provision of the Agreement.

3.2 By accepting the award of a Construction Contract for the Project, whether as contractor or subcontractor, the Contractor/Employer agrees to be bound by each and every provision of the Agreement and agrees that it will evidence its acceptance prior to the commencement of work by executing the **Letter of Assent** in the form attached hereto as **Addendum A**.

3.3 At the time that any Contractor/Employer enters into a subcontract with any subcontractor providing for the performance of a Construction Contract, the Contractor/Employer shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor as a pre-condition of accepting an award of a construction subcontract to agree in writing to be bound by each and every provision of this Agreement prior to the commencement of work. The obligations of a contractor may not be evaded by subcontracting.

3.4 Each Contractor/Employer(s) shall give written notice to the Union(s) of any subcontract involving the performance of work covered by this Agreement within either seven (7) days of entering such subcontract or before such Contractor/Employer(s) commences work on the Project, whichever occurs first. Such notice shall specify the name, address and the California State License Board license number of the subcontractor(s). Written notice at a preconstruction conference, as described in Section 5.1 of the Agreement, shall be deemed written notice under this provision for those subcontractor(s) listed at the preconstruction conference only.

3.5 This Agreement shall only be binding on the signatory parties hereto and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such party. Each Contractor/Employer(s) shall alone be liable and responsible for its own individual acts and conduct and for any breach or alleged breach of this Agreement. Any dispute between the Union(s) and the Contractor/Employer(s) respecting compliance with the terms of the Agreement shall not affect the rights, liabilities, obligations and duties between the signatory Union(s) and other Contractor(s) party to this Agreement.

3.6 It is mutually agreed by the parties that any liability by a signatory Union to this

Agreement shall be several and not joint. Any alleged breach of this Agreement by a signatory Union shall not affect the rights, liabilities, obligations and duties between the signatory Contractor(s) and the other Union(s) party to this Agreement.

3.7 The provisions of this Agreement, including MLAs, which are the local Master Labor Agreements of the signatory Unions having jurisdiction over the work on the Project, shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or national agreements which may conflict with or differ from the terms of this Agreement. Where a subject covered by the provisions of this Agreement is also covered by a MLA, the provisions of this Agreement shall prevail. Where a subject is covered by the provisions of a MLA and is not covered by this Agreement, the provisions of the applicable MLA shall prevail.

3.8 It is understood that this Agreement constitutes a self-contained, stand-alone agreement and that, by virtue of having become bound to this Agreement, a Contractor/Employer will not be obligated to sign any local, area, or national collective bargaining agreement as a condition of performing work within the scope of this Agreement.

ARTICLE IV

WORK STOPPAGES, STRIKES, SYMPATHY STRIKES AND LOCKOUTS

4.1 The Unions, WETA and Contractor/Employers agree that for the duration of the Project:

(1) There shall be no strikes, sympathy strikes, work stoppages, picketing, handbilling or otherwise advising the public that a labor dispute exists, or slowdowns of any kind, for any reason, by the Unions or employees employed on the Project, at the Project site or any off-site facility of the Project covered by this agreement, or at any other facility of WETA because of a dispute on the Project. The Unions shall not sanction, aid or abet, encourage or continue any such prohibited activity at the job site of the Project, at any off-site facility covered by the Project under Article 2, or at any other facility of WETA because of a dispute on the

Project, and shall take all reasonable means to prevent or terminate any such activity should it occur in violation of this prohibition. Nor shall the Unions or any employees employed on the Project participate in any strikes, sympathy strikes, work stoppages, picketing, handbilling, slowdowns, or otherwise advising the public that a labor dispute exists at the jobsite of the Project because of a dispute between Unions and Contractor/Employer on any other project. Nothing stated in this Agreement shall prevent Unions from participating in the actions mentioned in this section on jobsites other than the Project jobsite because of disputes between the Unions and Contractor/Employers on projects other than the Project.

(2) Any employee who participates in or encourages any activity prohibited by paragraph (1) shall be subject to disciplinary action, up to and including discharge, in accordance with the applicable MLAs.

(3) As to employees employed on the Project, there shall be no lockout of any kind by a Contractor/Employer covered by the Agreement.

(4) If a MLA between a Contractor/Employer and the Union expires before the Contractor/Employer completes the performance of a Construction Contract for work covered under this Agreement and the Union or Contractor/Employer gives notice of demands for a new or modified MLA, the Union agrees that it will not strike the Contractor/Employer on said contract for work covered under this Agreement and the Union and the Contractor/Employer agree that the expired MLA shall continue in full force and effect for work covered under this Agreement until a new or modified MLA is reached between the Union and Contractor/Employer. If the new or modified MLA reached between the Union and Contractor/Employer provides that any terms of the MLA shall be retroactive, the Contractor/Employer agrees to comply with any retroactive terms of the new or modified MLA which is applicable to employees who perform work on the project during the hiatus period, within seven (7) days after the effective date of the new or modified MLA.

(5) The withholding of employees, but not picketing, for failure of a Contractor/Employer(s) to tender trust fund contributions as required in accordance with Article

9 and/or for failure to meet its weekly payroll is not a violation of this Article; provided, however, that in each instance said impacted Union(s) shall give the affected Contractor/Employer(s) and WETA written notice seventy-two (72) business hours prior to the withholding of employees when failure to tender trust fund contributions has occurred. There shall be one (1) business days' notice when failure to meet weekly payroll has occurred or when paychecks are determined to be nonnegotiable by a financial institution normally recognized to honor such paychecks.

4.2 **Expedited Arbitration:** Any party to this Agreement shall institute the following procedure, prior to initiating any other action at law or equity, when a breach of this Article is alleged to have occurred:

(1) A party invoking this procedure shall notify Thomas Angelo, as the permanent arbitrator, or, Robert Hirsch, as the alternate arbitrator under this procedure. In the event that the permanent arbitrator is unavailable at any time, the alternate will be contacted. If neither is available, then a selection shall be made from the list of arbitrators in Section 12.2. Notice to the arbitrator shall be by the most expeditious means available, with notices by facsimile, telephone or email (with same day confirmation received by sender) to WETA and the party alleged to be in violation and to the Council and involved local Union if a Union is alleged to be in violation.

(2) Upon receipt of said notice, WETA will contact the designated arbitrator named above, or his alternate, who will attempt to convene a hearing within twenty-four (24) hours if it is contended that the violation still exists.

(3) The arbitrator shall notify the parties by facsimile, telephone, or email, with same day confirmation received by sender, of the place and time for the hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed twenty-four (24) hours unless otherwise agreed upon by all parties. A failure of any party to attend said hearings shall not delay the hearing of evidence or the issuance of an award by the arbitrator.

(4) The sole issue at the hearing shall be whether or not a violation of Article IV, Section 4.1 of the Agreement has occurred. The arbitrator shall have no authority to consider any matter of justification, explanation or mitigation of such violation, which issue is reserved for court proceedings, if any. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without a written opinion. If any party desires a written opinion, one shall be issued within fifteen (15) calendar days, but its issuance shall not delay compliance with or enforcement of the award.

(5) The arbitrator may order cessation of the violation of this Article and other appropriate relief and such award shall be served on all parties by hand or certified or registered mail upon issuance. A party found to have violated the provisions of the No Strike-No Lockout section in this Article 11 shall cease such violation within eight (8) hours of the award of the Arbitrator. Should the violation continue past eight (8) hours, the party in violation shall pay to the affected party as liquidated damages the sum of ten thousand dollars (\$10,000.00) per shift, or portion thereof, until such violation is ceased. The Arbitrator shall retain jurisdiction to resolve any disputes regarding the liquidated damages claimed under this section.

(6) Such award may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In the proceeding to obtain a temporary order enforcing the arbitrator's award as issued under Section 4.2(4) of this Article, all parties waive the right to a hearing and agree that such proceedings may be *ex parte*. Such agreement does not waive any party's right to participate in a hearing for a final order or enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all parties by hand or delivered by certified mail.

(7) Any rights created by statute or law governing arbitration proceedings that are inconsistent with the above procedure, or which interfere with compliance with such procedures are waived by the parties to whom they accrue to the extent such rights are waivable under applicable law.

(8) The fees and expenses of the arbitrator shall be divided equally between the party instituting the arbitration proceedings provided in this Article and the party alleged to be in breach of its obligation under this Article.

ARTICLE V

PRE-JOB CONFERENCE

5.1 A mandatory pre-job conference, to include a representative from each of the participating Contractor/Employer(s), applicable Unions and the Project Manager, will be held prior to the commencement of work to review the scope of work in each Contractor/Employer(s)' contract and assignment of such work. The pre-job conference shall be held at the offices of the Council unless otherwise agreed to by WETA and the Council. WETA and the Council may mutually agree to waive the requirement to hold a pre-job conference for any particular contract.

5.2 The Contractor(s) performing the work shall have the responsibility for making work assignments in accordance with Section 13.1 of this Agreement.

ARTICLE VI

NO DISCRIMINATION

6.1 The Contractor/Employers and Unions agree to comply with all anti-discrimination provisions of federal, state and local law, to protect employees and applicants for employment, on the Project.

ARTICLE VII

UNION SECURITY

7.1 The Contractor/Employers recognize the Union(s) as the sole bargaining representative of all craft employees working within the scope of this Agreement.

7.2 No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for work on a Construction Contract or the Project. However, any employee who is a member of a Union, at the time he or she is referred by the Union for work on a Construction Contract pursuant to Article 8 hereof, shall maintain that membership in good standing while employed on such Construction Contract.

7.3 The Contractor/Employers shall require all employees who work on a Construction Contract on or before eight days of consecutive or cumulative employment on the Project to comply with the applicable Union's security provisions, and to maintain compliance for the period of time they are performing work on the Project, which requirement shall be satisfied by the tendering of periodic dues and fees uniformly required to the extent allowed by law.

7.4 Authorized representatives of the Unions shall have access to the Projects whenever work covered by this Agreement is being, has been, or will be performed on the Project, to the extent permitted by applicable law.

ARTICLE VIII

REFERRAL

8.1 The Contractor/Employers performing construction work on the Project described in the Agreement shall, in filling craft job requirements, utilize and be bound by the registration facilities and referral systems established or authorized by the Unions signatory hereto when such procedures are not in violation of applicable law. The Contractor/Employer(s) shall have the right to reject any applicant referred by the Union(s), in accordance with the applicable MLA.

8.2 The Contractor/Employer(s) shall have the unqualified right to select and hire

directly all supervisors above the level of general foreman it considers necessary and desirable, without such persons being referred by the Union(s).

8.3 The Union(s) shall be the sole source of all craft labor employed on the Project. However, in the event that a Contractor/Employer(s) has its own core workforce, the Contractor/Employer may request by name, and the Union shall honor, referral of persons who have applied to the local Union for Project work and who demonstrate the following qualifications (“Core Employees”):

- a) Possess any license and/or certifications required by state or federal law for the Project work to be performed;
- b) Have worked a total of at least two thousand (2,000) hours in the construction craft during the prior two (2) years;
- c) Were on the Contractor/Employer's active payroll for at least the sixty (60) consecutive calendar business days prior to the contract award;
- d) Have the ability to perform safely the basic functions of the applicable trade; and
- e) Live in Alameda County.

8.3.1 The Union will refer to such Contractor/Employer two journeyman employees from the hiring hall out-of-work list for the affected trade or craft, and will then refer one of such Contractor/Employer's Core Employees as a journeyman and shall repeat the process, one and one, until such Contractor/Employer's crew requirements are met or until Contractor/Employer has hired five (5) Core Employees, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the hiring hall out-of-work list(s).

8.3.2 For the duration of the Contractor/Employer's work the ratio shall be maintained and when the Contractor/Employer's workforce is reduced, employees shall be reduced in reverse order and in the same ratio of core employees to hiring hall referrals as was applied in the initial hiring.

8.3.3 Contractor/Employer's signatory to a Local, Regional, and/or National collective bargaining agreements with Union(s) signatory hereto shall be bound to use the hiring hall

provisions contained in the MLA of the affected Union(s), and nothing in the referral provisions of this Agreement shall be construed to supersede the local hiring hall provisions of the Master Agreement(s) as they relate to such contractors.

8.4 In the event that referral facilities maintained by the Union(s) are unable to fill the requisition of a Contractor/Employer for employees within a forty-eight (48) hour period (Saturdays, Sundays and Holidays excluded) after such requisition is made by the Contractor/Employer(s), the Contractor/Employer(s) shall be free to obtain workers from any source. A Contractor who hires any personnel to perform covered work on the Project pursuant to this Section shall immediately provide the appropriate Union with the name and address of such employee(s) and shall immediately refer such employee(s) to the appropriate Union to satisfy the requirements of Article VII of this Agreement.

8.5 Unions will exert their utmost efforts to recruit sufficient numbers of skilled craft persons to fulfill the requirements of the Contractor/Employer(s).

ARTICLE IX

BENEFITS

9.1 All Contractor/Employers agree to pay contributions to the established vacation, pension and other form of deferred compensation plan, apprenticeship, and health benefit funds established by the applicable MLA for each hour worked on the Project in the amounts designated in the MLA of the appropriate local Unions. The Contractor/Employers shall not be required to pay contributions to any other trust funds that are not contained in the published prevailing wage determination to satisfy their obligation under this Article, except that those Contractor/Employers who are signatory to the MLA with the respective trades shall continue to pay all trust fund contributions as outlined in such MLA.

9.2 By signing this Agreement, the Contractor/Employers adopt and agree to be bound by the written terms of the legally established Trust Agreements, as described in Section 9.1, specifying the detailed basis on which payments are to be made into, and benefits paid out

of, such Trust Funds. WETA shall not be liable for or required to make any contributions, deductions or payments to any such Trust Fund, nor shall WETA otherwise have any contractual, financial or other obligation in connection with any such Trust Agreement or Trust Fund.

9.3 Wages, Hours, Terms and Conditions of Employment: The wages, hours and other terms and conditions of employment on the Project shall be governed by the MLA of the respective crafts, copies of which shall be on file with WETA, to the extent such MLA is not inconsistent with this Agreement.

9.4 Holidays: Holidays shall be established as set forth in the applicable MLA.

ARTICLE X

JOINT ADMINISTRATIVE COMMITTEE

10.1 The parties to this Agreement shall establish a six (6) person Joint Administrative Committee. This Committee shall be comprised of two (2) representatives selected by the WETA, two (2) representatives selected by the Union(s) and two (2) representatives selected by the general Contractor/Employer. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement. The Joint Administrative Committee shall meet as required to review the implementation of the Agreement and the progress of the Projects.

10.2 There shall also be established a Joint Administrative Subcommittee consisting of one WETA representative, to be selected by WETA, and one Union(s) representative, to be selected by the Unions, for the purpose of convening to confer in an attempt to resolve a grievance that has been filed consistent with Article 12. Any question regarding the meaning, interpretation, or application of the provisions of this Agreement shall be referred directly to the Joint Administrative Subcommittee for resolution. The Joint Administrative Subcommittee shall meet as required to resolve grievances by majority (unanimous) vote with such resolutions to be final and binding on all signatories of the Agreement. A failure of any party or parties to attend

said hearing shall not delay the hearing of evidence or issuance of an award by the Joint Administrative Subcommittee, if such award is made by a majority (unanimous) vote, and the hearing shall proceed *ex parte*.

ARTICLE XI

COMPLIANCE

11.1 It shall be the responsibility of the Contractor/Employers and Unions to investigate and monitor compliance with the provisions of the Agreement contained in Article IX. Nothing in this agreement shall be construed to interfere with or supersede the usual and customary legal remedies available to the Unions and/or employee benefit Trust Funds to collect delinquent Trust Fund contributions from Contractor/Employers on the Project. WETA shall monitor Contractor/Employer(s)' compliance with the prevailing wage requirements of the state.

ARTICLE XII

GRIEVANCE ARBITRATION PROCEDURE

12.1 Employee Grievances: All disputes involving discipline and/or discharge of employees working on the Project shall be resolved through the grievance and arbitration provision contained in the MLA for the craft of the affected employee. No employee working on the Project shall be disciplined or dismissed without just cause.

12.2 Project Labor Disputes: All Project labor disputes involving the application or interpretation of the MLA to which a signatory Contractor/Employer and a signatory Union are parties shall be resolved pursuant to the resolution procedures of the MLA. All disputes relating to the interpretation or application of this Agreement (with the exception of disputes subject to Articles IV and XIII) shall be subject to resolution by the Grievance arbitration procedures set forth in this Article.

No grievance shall be recognized unless the grieving party (Local Union or District

Council, on its own behalf, or on behalf of an employee whom it represents, or a Contractor/Employer on its own behalf) provides notice in writing to the signatory party with whom it has a dispute within five (5) days after becoming aware of the dispute but in no event more than thirty (30) days after it reasonably should have become aware of the event giving rise to the dispute. The time limits in this Article may be extended by mutual written agreement of the parties.

Step 1 : A representative of the grievant and the party against whom the grievance is filed shall meet and attempt to resolve the grievance.

Step 2: In the event the matter remains unresolved in Step 1 above, within five (5) working days, the grievance shall be reduced to writing and may then be referred to the other party for discussion and resolution.

Step 3: In the event that the representatives are unable to resolve the dispute within the five (5) working days after its referral to Step 2, either involved party may submit the dispute within five (5) working days to the Joint Administrative Subcommittee established in Section 10.2. The Joint Administrative Subcommittee shall meet within five (5) working days after such referral (or such longer time as is mutually agreed upon by the representatives on the Joint Administrative Subcommittee) to confer in an attempt to resolve the grievance. Regardless of which party has initiated the grievance proceeding, prior to the meeting of the Joint Administrative Subcommittee, the Union shall notify its International Union Representative(s), which shall advise both parties if it intends on participating in the meeting. The participation by the International Union Representative in this Step 3 meeting shall not delay the time set herein for the meeting, unless otherwise mutually agreed by the parties. A majority/unanimous decision by the Joint Administrative Subcommittee shall be final and binding. If the dispute is not resolved by the Joint Administrative Subcommittee, it may be referred within five (5) working days by either party to Step 4.

Step 4: In the event the matter remains unresolved in Step 3, either party may request, within five (5) working days, that the dispute be submitted to arbitration. The parties

agree that the Arbitrator who will hear the grievance shall be selected from the following: Thomas Angelo, William Riker, Jeri-Lou Cossack, Barry Winograd and Robert Hirsch. The parties shall flip a coin to determine who shall strike the first name and shall then alternately strike names from the list and the last remaining name shall be the neutral third party Arbitrator who shall have the power to resolve the dispute in a final and binding manner. Should a party to the procedure fail or refuse to participate in the hearing, if the Arbitrator determines that proper notice of the hearing has been given, said hearing shall proceed to a default award. The Arbitrator's award shall be final and binding on all parties to the arbitration. The costs of the arbitration, including the Arbitrator's fee and expenses, shall be borne equally by the parties. The Arbitrator's decision shall be confined to the question(s) posed by the grievance and the Arbitrator shall not have authority to modify amend, alter, add to, or subtract from, any provisions of this Agreement.

Time Limits: The time limits set out in this procedure may, upon mutual agreement, be extended. Any request for arbitration, request for extension of time limits, and agreement to extend such time limits shall be in writing. However, failure to process a grievance, or failure to respond in writing within the time limits provided above, without an agreed upon extension of time, shall be deemed a waiver of such grievance without prejudice, or without precedent to the processing of and/or resolution of like or similar grievances or disputes.

Retention: At the time a grievance is submitted under this Agreement or any MLA, the Union(s) may request that WETA withhold and retain an amount from what is due and owing to the Contractor(s) against whom the grievance is filed, sufficient to cover the damages alleged in the grievance, should the Union(s) prevail.

The amount shall be retained by WETA until such time as the underlying grievance giving rise to the retention is withdrawn, settled, or otherwise resolved, and the retained amount shall be paid to whomever the parties to the grievance shall decide, or to whomever an Arbitrator shall so order.

In order to encourage the resolution of disputes and grievances at Steps 1 and 2 of this

Grievance Procedure, the parties agree that such settlements shall not be precedent setting.

ARTICLE XIII

WORK ASSIGNMENTS AND NORTHERN CALIFORNIA PLAN FOR THE SETTLEMENT OF JURISDICTIONAL DISPUTES:

13.1 The assignment of covered work will be solely the responsibility of the Contractor/Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of the Jurisdictional Disputes in the Construction Industry (the “Plan”) or any successor Plan.

13.2 All jurisdictional disputes on this Project between or among the building and construction trades Unions and the Contractor/Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractor/Employers and Unions parties to this Agreement.

13.3 For the convenience of the parties, and in recognition of the expense of travel between Northern California and Washington, DC, at the request of any party to a jurisdictional dispute under this Agreement an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, and the Arbitrator’s hearing on the dispute shall be held at the offices of the Building Trades Council of Alameda County. All other procedures shall be as specified in the Plan.

13.4 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor/Employer’s assignment shall be adhered to until the dispute is resolved. Individual employees violating this section shall be subject to immediate discharge. Each Contractor/Employer will conduct a pre-job conference with the Council prior to commencing work, as described in Section 5.1. The Project Manager

and WETA will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Contractor/Employers may be held together.

ARTICLE XIV

APPRENTICES

14.1 Recognizing the need to develop adequate numbers of competent workers in the construction industry, the Contractor/Employer(s) shall employ Apprentices from California State-approved Joint Apprenticeship Programs in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured.

14.2 The Apprentice ratios will be in compliance with the applicable provisions of the California Labor Code and Prevailing Wage Rate Determination.

14.3 There shall be no restrictions on the utilization of Apprentices in performing the work of their craft provided they are properly supervised.

ARTICLE XV

MANAGEMENT RIGHTS

15.1 The Contractor/Employer(s) shall retain full and, exclusive authority for the management of their operations, including the right to direct their work force in their sole discretion and to establish coordinated working hours and starting times, in accordance with the applicable MLAs. No rules, customs or practices shall be permitted or observed which limit or restrict production, or limit or restrict the working efforts of employees except that the lawful manning provisions in the applicable MLAs shall be recognized.

15.2 The Contractor/Employer(s) may use the most efficient methods or techniques of construction, tools, or other labor saving devices to accomplish Project work, in accordance with the applicable MLAs. There shall be no limit on production by workers or restrictions on the full use of tools or equipment, nor any restriction on efficient use of manpower other than

as may be required by applicable safety regulations.

15.3 The Contractor/Employer(s) shall be the sole judge of the number of employees required to perform the work covered by this Agreement, and shall have the sole right to hire, promote, suspend, discharge, or layoff employees at their discretion and to reject any applicant for employment, in accordance with the applicable MLAs.

15.4 The Contractor/Employer(s) shall have the right to award subcontracts to the lowest responsive and responsible bidder or the most qualified/highest ranked firm, in accordance with the applicable MLA for the craft involved.

ARTICLE XVI

HELMETS TO HARDHATS

16.1 The Contractor/Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractor/Employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center) and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

16.2 The Unions and Contractor/Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for *bona fide*, provable past experience.

ARTICLE XVII

SAFTETY PROTECTION OF PERSON AND PROPERTY

17.1 Employees shall be bound by the reasonable safety, security and visitor rules

established by the Contractor/Employer(s) and WETA. These rules will be published and posted in visible places throughout the work site. An employee's failure to satisfy his/her obligations under this Section will subject him/her to discipline, including discharge consistent with the applicable MLA.

17.2 The use, sale, transfer, purchase and/or possession of a controlled substance, alcohol and/or firearms at any time during the work day is prohibited.

17.3 The Contractor/Employer(s) and Unions agree that the work site shall be a drug free workplace. Parties agree to recognize and use the Substance Abuse Program contained in each applicable Union's MLA.

ARTICLE XVIII

SAVINGS CLAUSE

18.1 The parties agree that in the event any article, provision, clause, sentence or word of the Agreement is determined to be illegal or void as being in contravention of any applicable law, including Presidential Executive Order, federal or state law, by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect. The parties further agree that if any article, provision, clause, sentence or word of the Agreement is determined to be illegal or void, by a court of competent jurisdiction, the parties shall substitute, by mutual agreement, in its place and stead, an article, provision, clause, sentence or word which will meet the objections to its validity and which will be in accordance with the intent and purpose of the article, provision, clause, sentence or work in question.

18.2 The parties also agree that in the event that a decision of a court of competent jurisdiction materially alters the terms of the Agreement such that the intent of the parties is defeated, then the entire Agreement shall be null and void.

18.3 If a court of competent jurisdiction determines that all or part of the Agreement is invalid and/or enjoins WETA from complying with all or part of its provisions and WETA accordingly determines that the Agreement will not be required as part of an award to a

Contractor/Employer, the unions will no longer be bound by the provisions of Article IV.

18.4 In the event that WETA is made aware that this Agreement or portions thereof are inconsistent with the terms and conditions of any grant, loan, or contract with any Federal or State agency or with the instructions or directions of an authorized representative of a Federal or State agency regarding the requirements of any such grant, loan, or contract, WETA shall notify the Council. Within seven (7) days of notification, the parties shall meet and confer to attempt to modify the Agreement to avoid forfeiture of any funding or otherwise resolve the issue. Should the parties be unable to come to agreement, the Agreement or any inconsistent provision shall be subject to resolution by the grievance arbitration procedures set forth in Article XII. The foregoing notwithstanding, if the granting agency determines that the resolution of such grievance procedure will result in the forfeiture of material grant funds (meaning an amount that would threaten viability of the project) , then the Agreement may be modified or terminated in order to avoid the forfeiture.

ARTICLE XIX

TERM

19.1 The Agreement shall be included in the Bid Documents as a condition of the award of construction contracts for the Project.

19.2 The Agreement shall continue in full force and effect until the completion of the Project.

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION
AUTHORITY

By _____ Date _____

BUILDING
TRADES COUNCIL OF ALAMEDA COUNTY

By _____ Date _____

SIGNATURE BLOCKS

**ADDENDUM A
LETTER OF ASSENT**

[Date]

[Addressee]

[Address]

[City and State]

Re: WETA Central Bay Operations & Maintenance Facility Project
Project Labor Agreement -- Letter of Assent

Dear Mr./Ms. _____:

The undersigned party confirms that it agrees and assents to comply with and to be bound by the WETA Central Bay Operations & Maintenance Facility Project, Project Labor Agreement as such Agreement may, from time to time, be amended by the parties or interpreted pursuant to its terms.

By executing this Letter of Assent, the undersigned party subscribes to, adopts and agrees to be bound by the written terms of the legally established trust agreements specifying the detailed basis upon which contributions are to be made into, and benefits made out of, such trust funds and ratifies and accepts the trustees appointed by the parties to such trust funds.

Such assent and obligation to comply with and to be bound by this Agreement shall extend to all work covered by said Agreement undertaken by the undersigned party on the WETA Central Bay Operations & Maintenance Facility Project. The undersigned party shall require all of its subcontractors, of whatever tier, to become similarly bound for all their work within the scope of this Agreement by signing an identical Letter of Assent.

This letter shall constitute a subscription agreement, to the extent of the terms of the letter.

CONTRACTOR/SUBCONTRACTOR: _____

California State License Number: _____

Name and Signature of
Authorized Person:

(Print Name)

(Title)

(Signature)

(Telephone Number)

ADDENDUM B
LIST OF MASTER COLLECTIVE BARGAINING AGREEMENTS

All Master Labor Agreements of the following signatory Local Unions and District or Regional Councils and their affiliated Local Unions:

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2015-31

APPROVE A PROJECT LABOR AGREEMENT FOR THE CENTRAL BAY OPERATIONS AND MAINTENANCE FACILITY PROJECT

WHEREAS, WETA is developing a Central Bay Operations and Maintenance Facility in Alameda, CA (the "Project") to serve as the central San Francisco Bay base for the WETA ferry fleet; and

WHEREAS, the timely and successful completion of the Project is of the utmost importance to WETA and the general public; and

WHEREAS, large numbers of workers of various skills will be required in the performance of the construction work, including those to be represented by the Unions signatory to this Agreement employed by contractors and subcontractors who are also signatories to this Agreement; and

WHEREAS, it is recognized that on a project of this magnitude with multiple contractors and bargaining units on the job site at the same time over an extended period of time, there is the potential for work disruption that could negatively impact the continuity of work and the Project schedule; and

WHEREAS, the interests of WETA, the general public and the Unions would be best served if the construction work proceeded in an orderly manner without disruption because of strikes, sympathy strikes, work stoppages, picketing, lockouts, slowdowns or other interferences with work; and

WHEREAS, WETA and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on the Project by the Contractor/Employer(s), and further, to encourage close cooperation among the Contractor/Employer(s) and the Union(s) so that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, the parties hereto are committed to constructing the Project safely and efficiently and the Unions are committed to staffing Project work with qualified craft workers; and

WHEREAS, the Project is funded with various grant funds and, as such, is subject to and must comply with a variety of local, regional, state and federal regulations imposed as a result of such funding sources; and

WHEREAS, WETA has the absolute right to select as its prime contractor the entity offering the best value to WETA; and

WHEREAS, the parties to this Agreement pledge their full good faith and trust to work towards a mutually satisfactory completion of the Project; now, therefore be it

RESOLVED, that the Board of Directors hereby approves the Project Labor Agreement for the Construction of the San Francisco Bay Area Water Emergency Transportation Authority's Central Bay Operations and Maintenance Facility Project; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to execute this agreement and take any other related actions to support this work.

CERTIFICATION

The undersigned, Board Secretary, does hereby certify that the foregoing is a full, true and correct copy of a resolution duly and regularly adopted at a meeting of the San Francisco Bay Area Water Emergency Transportation Authority held on November 5, 2015.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2015-31

END

MEMORANDUM

TO: Board Members

**FROM: Nina Rannells, Executive Director
Ernest Sanchez, Manager, Marketing and Public Information**

SUBJECT: Status Report on Ferry Ticket and Clipper Card Fare Payments

Recommendation

There is no recommendation associated with this informational item.

Background/Discussion

The Clipper regional electronic fare payment system has been rolled out incrementally to Bay Area transit systems over the past nine years beginning with the larger Bay Area operators including Golden Gate Transit, SamTrans, Caltrain, BART, Muni and Santa Clara VTA. WETA first implemented Clipper on its east bay services coinciding with the launch of the new Alameda/Oakland to South San Francisco service in June 2012. Clipper was expanded to WETA's Vallejo ferry service in November 2014 when the Clipper system was expanded to include north bay transit operators in Solano County including SolTrans. Per Board policy, WETA's fare structure is set-up to provide for a 25 percent fare discount for passengers utilizing Clipper as their fare payment mechanism.

Since implementation, Clipper utilization has grown to account for approximately 40 percent of WETA's monthly passenger revenues. The percentage utilization of Clipper on each service varies depending upon the service type and other fare payment mechanisms offered as summarized below.

Service Route	Clipper Use	Other Fare Media	Service Characteristics
Alameda-Oakland	50%	One-way tickets	All day, 7-days
Vallejo	27%	One-way tickets Monthly pass	All day, 7-days
Harbor Bay	94%	One-way tickets	Commute only, M-F
South San Francisco	85%	One-way tickets	Commute only, M-F

Ticket/pass distribution methods vary by service and generally follow along the lines of how the cities of Vallejo and Alameda historically managed their customer ticket sales. Vallejo tickets and monthly passes are made available for purchase through the WETA ticket office in Vallejo, Blue & Gold Fleet (Blue & Gold) ticket offices at Pier 41 and the Bay Crossings store in the San Francisco Ferry Building. Tickets are also available for sale onboard WETA's vessels. Services based out of Alameda/Oakland offer tickets for sale onboard vessels, at Pier 41 and through the Bay Crossings store

in San Francisco. Tickets for AT&T park baseball and special event services are sold online via Blue & Gold's Gateway ticketing system.

Clipper cards are available for purchase and re-load at WETA's Vallejo ticket office and the Bay Crossings store in the San Francisco Ferry Building. Clipper cards may also be purchased via ticket vending machines housed just outside of the Golden Gate Ferry terminal (Gate B) area and at approximately 300 private retailers (e.g., Walgreen's, Whole Foods) throughout the Bay Area.

Vallejo Ticket Office

The Vallejo Ticket Office (VTO) sells ferry tickets and Clipper Cards and provides transit information to ferry customers. Last July, VTO management was transferred from SolTrans to Blue & Gold Fleet. Staff continues to monitor the VTO to find ways to improve customer service.

Bay Crossings Store

The Bay Crossings store provides Clipper Card customer service, and sells SF Bay Ferry tickets. The store is centrally located in the ferry building adjacent to the ferry schedule information flap sign. The store is a privately owned business with a primary mission to provide public transit-related services, which include operating a Clipper Customer Service Center, selling SFBF tickets (Harbor Bay, AOSF, Vallejo) and MUNI Day Passes, and disseminating public transit and visitor information. Clipper Customer Service Center and public transit information dissemination functions are funded under a contract with MTC that expires on June 30, 2016. Bay Crossings also earns a commission on sales of SF Bay Ferry tickets (8 percent for Vallejo and 10 percent for Alameda/Oakland and Harbor Bay tickets). WETA also provides a \$4,000 per month subsidy to support extended store hours at the Bay Crossings store through agreement that is re-considered annually by the Board.

Bay Crossings store ferry ticket sales have declined as some Vallejo riders transition from paper tickets to the Clipper Card. This has resulted in a reduction in Bay Crossings ticket sales commissions of approximately \$40,000 this fiscal year. Staff is in discussion with MTC regarding how we might work together to consolidate efforts to provide ticket and Clipper sales and customer service at the Bay Crossings site next fiscal year when existing service contracts are up for renewal.

Oakland Ticket Office

Traditionally, Alameda/Oakland/San Francisco (AOSF) customers purchase tickets onboard the boat at time of departure. However, recent AOSF ridership growth has required that onboard tickets sales be supplemented with landside sales at Jack London Square on days when heavy ridership demand is anticipated. Landside ticket sales were successfully implemented over the five day BART transbay service closures in August and September and over Fleet Week weekend. Staff will explore the feasibility of expanding the landside ticket sales program in 2016.

Future Opportunities

Staff will continue to investigate ways to improve the customer ticket purchase experience including evaluation of the new mobile device applications now coming on the market.

Fiscal Impact

There is no fiscal impact associated with the informational item.

END