

Members of the Board

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

BOARD OF DIRECTORS' MEETING
Monday, August 24, 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 – June 4, 2015
 - b. Authorize Release of a Request for Proposals for Selective Catalyst Reduction (SCR) System Rehabilitation on Four Vessels
 - c. Authorize Release of a Request for Proposals for Ferry Vessel *Gemini* Quarter Life Refurbishment Project
 - d. Authorize Release of a Request for Qualifications for North Bay Vessel Construction Management Services
 - e. Authorize Release of a Request for Proposals for Ferry Vessel *Intintoli* Major Component and Waterjet Rehabilitation Project
7. APPROVE CONTRACT AWARD TO VORTEX MARINE CONSTRUCTION, INC. FOR MARINE CONSTRUCTION SERVICES FOR THE VALLEJO FERRY TERMINAL DREDGING PROJECT **Action**
8. AUTHORIZE SERVICE ENHANCEMENTS TO ADDRESS CAPACITY SHORTFALLS ON SAN FRANCISCO BAY FERRY SERVICES **Action**
9. OPEN TIME FOR PUBLIC COMMENTS FOR NON-AGENDA ITEMS

ADJOURNMENT

Water Emergency Transportation Authority August 24, 2015 Meeting of the Board of Directors

This information will be made available in alternative formats upon request. To request an agenda in an alternative format, please contact the Board Secretary at least five (5) working days prior to the meeting to ensure availability.

PUBLIC COMMENTS The Water Emergency Transportation Authority welcomes comments from the public. Speakers' cards and a sign-up sheet are available. Please forward completed speaker cards and any reports/handouts to the Board Secretary.

Non-Agenda Items: A 15 minute period of public comment for non-agenda items will be held at the end of the meeting. Please indicate on your speaker card that you wish to speak on a non-agenda item. No action can be taken on any matter raised during the public comment period. Speakers will be allotted no more than three (3) minutes to speak and will be heard in the order of sign-up.

Agenda Items: Speakers on individual agenda items will be called in order of sign-up after the discussion of each agenda item and will be allotted no more than three (3) minutes to speak. You are encouraged to submit public comments in writing to be distributed to all Directors.

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: August 24, 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 second progress meeting was held on July 21.

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, provision of spare gearbox, propellers and shafts. The Board approved a contract with Bay Ship & Yacht for Phase 1 work in February 2015. Phase 1 is near completion with sea trials occurring in the first week of June.

Staff is anticipating issuing an RFP for Phase 2 of the project in Summer 2015 so that we are in a position to award a contract for work this coming winter. Phase 2 will include replacement of all control systems and navigation electronics, snack bar renewal, and exterior cabin paint.

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. An Invitation for Bids (IFB) was released on May 22, 2015, with bids due June 16, 2015. Staff will bring forward a recommendation for award at the August Board meeting so that work can begin in September and be completed during the construction window.

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 Board of Directors awarded a design-build contract for the landside phase to West Bay Builders, now Thompson Builders in August 2013 and work is anticipated to be complete in Spring 2015. 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 waterside construction phase to Dutra Construction in July 2014. The existing ferry maintenance facility (Building 477) will be cleaned up as required prior to surrender to Lennar Mare Island, the property owner of the land portion of the project site. 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 final design of the waterside phase is complete. The Navy NEPA environmental review work for the waterside portion of the project is complete. Completion of this documentation by the Navy was required prior to entering into a submerged lands lease with WETA. The Navy lease was executed on July 15, 2015. All required permits for the waterside construction phase of the project have been received. Pile driving activities are anticipated to commence the week of August 3, 2015. A total of 23 piles will be driven over a 2 to 3 week period.

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 would support ongoing daily services and would 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. The contract was executed in July 2014. Final design was completed in December 2014. Float fabrication has started in Portland, Oregon. Construction of aluminum ramping is proceeding and is nearing completion. The float is anticipated to be delivered in late Summer 2015.

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.

On June 4, the Bay Conservation and Development Commission (BCDC) voted to approve a Major Permit for construction of the project. Staff is proceeding to complete remaining design work and permitting for the project prior to requesting authorization from the WETA Board to release construction bid documents for the project later this year. Staff has reached out to the Building Trades Council of Alameda County to initiate discussions regarding developing a Project Labor Agreement for this project utilizing the Model Agreement adopted by the Board in December 2013.

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 community members, City staff, and a marine mammal expert. A request has been submitted to BCDC to amend the project permit to allow for construction of the proposed replacement harbor seal haul-out.

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 Francisco as set forth in WETA's Implementation and Operations Plan. The proposed project would also include landside improvements needed to accommodate expected increases in ridership and to support emergency response capabilities.

A Notice of Availability for the Final EIS/EIR and FTA's Record of Decision were published in the Federal Register in September 2014. The WETA Board certified the Final EIR in October 2014. A Memorandum of Understanding with the Port of San Francisco defining roles and responsibilities for project design development was executed last month. On July 1st, the project was presented to the San Francisco Historic Preservation Commission for design review. In July, the USACOE issued a permit to proceed with in-water geotechnical sampling work in support of the project.

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.

Staff is currently working with the FTA on preparation of the NEPA environmental review. The NEPA document is anticipated to be complete in the next one to two months. Consultation with the State Historic Preservation Office and National Marine Fisheries Service is complete. Terminal design activities have begun and staff has held initial meetings with the BCDC. Staff attended the July 13, 2015 meeting of the BCDC Design Review Board (DRB). The project design team is responding DRB input by working collaboratively with artists creating a public art piece nearby the future terminal. It is anticipated that WETA and the public art team will return to the DRB together this the fall. The next project activity will be the initial efforts for vessel procurement.

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 staff on this City-led project and participating in regular meetings of the 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 future 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.

Alameda Seaplane Lagoon Study - The City of Alameda has proposed a new ferry terminal located along Seaplane Lagoon at Alameda Point. Consistent with terms of the 2011 Transition Agreement executed between WETA and the City of Alameda, both parties are working together to explore the viability of a new ferry service connecting Seaplane Lagoon and San Francisco.

Staff is working with the City of Alameda to 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. The finalization and execution of an MOU for the Seaplane Lagoon service would be subject to future consideration by the WETA Board and the City of Alameda.

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. WETA is developing concept service plans and ridership estimates for future seven-days-per-week service to a future Mission Bay Ferry Terminal.

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 (EWTSM) was published and approved in 2009. Utilizing the services of Lee Rosenberg with Navigating Preparedness Associates, staff has embarked on a process of evaluating existing plans and capabilities and updating WETA's internal and external emergency response plans. Navigating Preparedness has prepared an initial draft plan of the external plan which is undergoing staff review at this time. Staff anticipates completion of both plans by the end of the year.

Yellow Command Urban Shield 2015 Exercise: Yellow Command is a law enforcement annual functional exercise opportunity for emergency operation centers (EOCs) throughout the Bay Area to activate and collaborate through the California Office of Emergency Services (CalOES) Coastal Region EOC (REOC) per the Standardized Emergency Management System. The exercise will build and strengthen response capabilities in preparation for Super Bowl 50. One of the main objectives of the exercise is to test the Regional Catastrophic Earthquake Mass Transportation / Evacuation Plan. Staff has attended several planning meetings and workshops in preparation for this exercise. WETA's objectives for this exercise include evaluating coordination with the Coastal Region EOC and U.S. Coast Guard regarding coordination of resources through a liaison in the Coastal Region EOC, assessing WETA's ability to receive and fulfill a request to transport first responders, partially activating the WETA EOC, and transit service suspension and resumption. In addition WETA will be testing communication systems.

Staff will be activating WETA's EOC at Pier 9, and a WETA liaison will be located at the CalOES REOC in Walnut Creek. The exercise will take place between 9:00am and 1:00pm on Friday September 11th.

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, is planning a defense support of civil authorities (DSCA) full scale exercise drill aimed at bringing together area leaders and first responder with 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. WETA has attended the initial planning meeting and is developing a plan for our participation and exercise objectives. The exercise is tentatively scheduled for October 6, 2015.

Vallejo Ticket Office Management Transfer: On July 1, management of the Vallejo Ticket Office (VTO) was successfully transferred from Soltrans to Blue and Gold Fleet. The transfer is the first step in the evolution of the VTO into a SF Bay Ferry Customer Service Center that will receive and respond to SFBF system wide customer questions submitted via email, phone, or internet.

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.

MEETINGS AND OUTREACH

On June 4, Mike Gougherty presented the Central Bay Operations & Maintenance Facility to the Bay Conservation and Development Commission at a hearing to approve the project.

On June 17, Lauren Gularte attended the initial planning meeting for the September 11, 2015 Yellow Command Urban Shield 2015 exercise.

On June 18, Mike Gougherty presented to the San Francisco Chapter of the Institute of Transportation Engineers on the Downtown San Francisco Ferry Terminal Expansion project.

On June 22, Nina Rannells and Kevin Connolly presented a summary of the WETA Strategic Plan Board workshop material to the Bay Area Council's Ferry Subcommittee.

On July 1, Mike Gougherty presented the Downtown San Francisco Ferry Terminal Expansion project to the San Francisco Historic Preservation for design review.

On July 2, Keith Stahnke and Lauren Gularte attended a meeting hosted by the Port of San Francisco on ferry operations and crowd control in preparation for large events or disasters.

On July 7, Kevin Connolly attended a workshop hosted by the Bay Area Council, the Silicon Valley Leadership Group and the Caltrain Coalition to discuss future transportation investment in the Highway 101 corridor.

On July 8, Kevin Connolly attended the Alameda Interagency Liaison Committee meeting with Alameda City Council members and AC Transit Board members.

On July 9, Keith Stahnke, Kevin Donnelly and Lauren Gularte attended MTC's quarterly Trans Response Plan meeting.

On July 13, Kevin Connolly and Chad Mason presented the Richmond Terminal Project to the BCDC Design Review Board.

On July 16, Lauren Gularte attended a P25 radio interoperability workshop in preparation for the September 11 Yellow Command Urban Shield 2015 exercise.

On July 21, Lauren Gularte participated in a DBE certification webinar hosted by the Business Outreach Committee and attended by 82 people.

On July 22, Lauren Gularte attended a planning meeting for the September 11 Yellow Command Urban Shield 2015 exercise.

On July 23, Ernest Sanchez and Lauren Gularte attended a Regional Joint Information Sharing Workshop in preparation for the September 11 Yellow Command Urban Shield 2015 exercise.

On July 30, Kevin Connolly and Chad Mason presented an update on the Richmond Terminal project at the City of Richmond Mayor's Business Roundtable.

OPERATIONS REPORT

Extra Sevices During BART Transbay Closures - On August 1 and 2 BART Transbay Tube operations was suspended to permit track repairs to a critical section of track near the West Oakland BART station. In preparation for this disruption, staff worked to develop an expanded service schedule to San Francisco to accommodate anticipated increased passenger demand. Additional ferry departures doubled the trips from the East bay to San Francisco from 12 to 24, with the first East bay departure at 8:10am and the last San Francisco arrival at midnight. One additional Vallejo trip was added to both the morning and evening peak travel periods. Ridership for the weekend was very strong at 20,014 compared to the previous weekend total of 11,962. While the service levels worked well, Saturday maxed capacity on several departures. Frequent departures and good schedule adherence minimized wait times. The next closure weekend is scheduled for September 5, 6, and 7.

Monthly Operating Statistics - The Monthly Operating Statistics Reports for May and June 2015 are provided as Attachment A.

Attachment A

Monthly Operating Statistics Report May 2015

			Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
Ridership	vs. last month	Total Passengers May 2015	85,780	23,087	9,448	78,002	196,317
		Total Passengers April 2015	76,895	24,421	10,224	74,210	185,750
		Percent change	11.55%	-5.46%	-7.59%	5.11%	5.69%
	vs. same month last year	Total Passengers May 2015	85,780	23,087	9,448	78,002	196,317
		Total Passengers May 2014	79,392	19,977	7,581	76,555	183,505
		Percent change	8.05%	15.57%	24.63%	1.89%	6.98%
	vs. prior FY to date	Total Passengers Current FY To Date	815,423	240,024	96,839	770,562	1,922,848
		Total Passengers Last FY To Date **	737,581	226,228	76,358	745,830	1,785,997
		Percent change	10.55%	6.10%	26.82%	3.32%	7.66%
			Avg Weekday Ridership May 2015	2,841	1,154	472	2,843
Ops Stats		Passengers Per Hour	181	178	61	130	144
		Revenue Hours	473	130	155	601	1,359
		Revenue Miles	5,848	2,865	2,470	16,261	27,444
Fuel		Fuel Used (gallons)	40,168	10,366	13,664	132,569	196,767
		Avg Cost per gallon	\$2.59	\$2.59	\$2.59	\$2.54	\$2.58

* Vallejo ridership includes ferry + 4412 Route 200 bus passengers.

** Includes ridership during July and October 2013 BART strikes and Sept 2013 Bay Bridge closure.

Attachment A

Monthly Operating Statistics Report June 2015

			Alameda/ Oakland	Harbor Bay	South San Francisco	Vallejo*	Systemwide
Ridership	vs. last month	Total Passengers June 2015	96,050	26,280	10,550	88,103	220,983
		Total Passengers May 2015	85,780	23,087	9,448	78,002	196,317
		Percent change	11.97%	13.83%	11.66%	12.95%	12.56%
	vs. same month last year	Total Passengers June 2015	96,050	26,280	10,550	88,103	220,983
		Total Passengers June 2014	84,052	20,467	7,740	80,885	193,144
		Percent change	14.27%	28.40%	36.30%	8.92%	14.41%
	vs. prior FY to date	Total Passengers Current FY To Date	911,473	266,304	107,389	858,665	2,143,831
		Total Passengers Last FY To Date **	821,633	246,695	84,098	826,715	1,979,141
		Percent change	10.93%	7.95%	27.70%	3.86%	8.32%
			Avg Weekday Ridership June 2015	3,267	1,195	480	3,225
Ops Stats		Passengers Per Hour	196	185	62	149	159
		Revenue Hours	491	142	169	590	1,392
		Revenue Miles	5,879	3,161	2,704	16,071	27,815
Fuel		Fuel Used (gallons)	40,868	11,155	13,540	135,371	200,935
		Avg Cost per gallon	\$2.38	\$2.38	\$2.38	\$2.32	\$2.34

* Vallejo ridership includes ferry + 4651 Route 200 bus passengers.

** Includes ridership during July and October 2013 BART strikes and Sept 2013 Bay Bridge closure.

MEMORANDUM

TO: Board Members

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

**SUBJECT: Monthly Review of FY 2014/15 Financial Statements for Twelve Months
Ending June 30, 2015**

Recommendation

There is no recommendation associated with this informational item.

Summary

This report provides the attached FY 2014/15 Financial Statements for twelve months ending June 30, 2015.

Operating Budget vs. Actual

	Prior Actual	Current Budget	Current Actual
Revenues - Year To Date:			
Fare Revenue	13,117,524	14,505,700	13,924,924
Local Bridge Toll Revenue	14,942,439	18,639,000	15,382,682
Other Revenue	3,797	-	1,150
Total Operating Revenues	28,063,759	33,144,700	29,308,754
Expenses - Year To Date:			
Planning & Administration	2,189,344	3,000,000	2,763,907
Ferry Services	25,874,415	30,144,700	26,544,847
Total Operatings Expenses	28,063,759	33,144,700	29,308,754
System-Wide Farebox Recovery %	51%	48%	52%

Capital Actual and % of Total Budget

	YTD Actual	% of FY 2014/15 Budget
Revenues:		
Federal Funds	8,831,513	50.42%
State Funds	14,460,572	65.96%
Bridge Toll Revenues	1,934,317	33.62%
Other Local Funds	2,111,539	56.93%
Total Capital Revenues	27,337,941	55.90%
Expenses:		
Total Capital Expenses	27,337,941	55.90%

Fiscal Impact

There is no fiscal impact associated with this informational item.

END

San Francisco Bay Area Water Emergency Transportation Authority
FY 2014/15 Statement of Revenues and Expenses
For Twelve Months Ending 06/30/2015

% of Year Elapsed 100.0%

	Current Month	Year - To - Date			Variance to Budget	% of Total
		FY2013/14 Actual	FY 2014/15 Budget	FY 2014/15 Actual		
OPERATING EXPENSES						
<u>PLANNING & GENERAL ADMIN:</u>						
Wages and Fringe Benefits	138,688	1,147,054	1,441,000	1,729,316	288,316	20.0%
Services	190,420	831,150	1,620,000	956,225	(663,775)	-41.0%
Materials and Supplies	14,669	51,453	37,000	24,302	(12,698)	-34.3%
Utilities	2,344	14,673	21,000	14,089	(6,911)	-32.9%
Insurance	20,648	16,813	19,000	38,983	19,983	105.2%
Miscellaneous	4,936	89,490	110,000	75,205	(34,795)	-31.6%
Leases and Rentals	23,892	272,529	286,000	282,850	(3,150)	-1.1%
Admin Overhead Expense Transfer	(32,315)	(233,817)	(534,000)	(357,063)	176,937	-33.1%
Sub-Total Planning & Gen Admin	363,283	2,189,344	3,000,000	2,763,907	(236,093)	-7.9%
<u>FERRY OPERATIONS:</u>						
<u>Harbor Bay FerryService</u>						
Purchased Transportation	158,650	1,470,698	1,752,500	1,462,272	(290,228)	-16.6%
Fuel - Diesel & Urea	26,535	476,788	591,600	365,499	(226,101)	-38.2%
Other Direct Operating Expenses	39,262	375,050	633,700	406,527	(227,173)	-35.8%
Admin Overhead Expense Transfer	6,727	52,821	117,000	71,886	(45,114)	-38.6%
Sub-Total Harbor Bay	231,174	2,375,356	3,094,800	2,306,184	(788,616)	-25.5%
<i>Farebox Recovery</i>	<i>50%</i>	<i>46%</i>	<i>40%</i>	<i>51%</i>		
<u>Alameda/Oakland Ferry Service</u>						
Purchased Transportation	553,886	4,953,078	4,430,500	5,379,882	949,382	21.4%
Fuel - Diesel & Urea	97,213	1,347,184	1,847,100	1,183,834	(663,266)	-35.9%
Other Direct Operating Expenses	102,026	722,403	1,237,000	746,894	(490,106)	-39.6%
Admin Overhead Expense Transfer	12,491	87,739	209,000	137,909	(71,091)	-34.0%
Sub-Total Alameda/Oakland	765,616	7,110,404	7,723,600	7,448,519	(275,081)	-3.6%
<i>Farebox Recovery</i>	<i>57%</i>	<i>53%</i>	<i>56%</i>	<i>56%</i>		
<u>Vallejo FerryService</u>						
Purchased Transportation	587,058	7,006,911	7,481,900	8,417,616	935,716	12.5%
Fuel - Diesel & Urea	313,726	4,958,699	6,375,000	3,814,606	(2,560,394)	-40.2%
Other Direct Operating Expenses	194,639	1,261,333	1,589,700	1,098,319	(491,381)	-30.9%
Admin Overhead Expense Transfer	5,269	40,402	73,000	62,252	(10,748)	-14.7%
Sub-Total Vallejo	1,100,691	13,267,345	15,519,600	13,392,792	(2,126,808)	-13.7%
<i>Farebox Recovery</i>	<i>76%</i>	<i>58%</i>	<i>54%</i>	<i>59%</i>		
<u>South San Francisco FerryService</u>						
Purchased Transportation	301,185	2,039,040	2,173,800	2,414,663	240,863	11.1%
Fuel - Diesel & Urea	32,208	642,649	809,000	499,177	(309,823)	-38.3%
Other Direct Operating Expenses	27,092	386,765	688,900	398,497	(290,403)	-42.2%
Admin Overhead Expense Transfer	7,828	52,855	135,000	85,016	(49,984)	-37.0%
Sub-Total South San Francisco	368,314	3,121,309	3,806,700	3,397,354	(409,346)	-10.8%
<i>Farebox Recovery</i>	<i>18%</i>	<i>17%</i>	<i>14%</i>	<i>21%</i>		
Total Operating Expenses	2,829,078	28,063,759	33,144,699	29,308,755	(3,835,945)	-11.6%
OPERATING REVENUES						
Fare Revenue	1,449,657	13,117,524	14,505,700	13,924,924	(580,776)	-4.0%
Local - Bridge Toll	1,378,771	14,942,439	18,639,000	15,382,682	(3,256,319)	-17.5%
Local - Other Revenue	650	3,797	-	1,150	1,150	100%
Total Operating Revenues	2,829,078	28,063,759	33,144,699	29,308,755	(3,835,945)	-11.6%

San Francisco Bay Area Water Emergency Transportation Authority
FY 2014/15 Statement of Revenues and Expenses
For Twelve Months Ending 6/30/2015

Project Description	Current Month	Project Budget	Prior Years Actual	FY 2014/15 Budget	FY 2014/15 Actual	Future Year	% of Total Project Budget
CAPITAL EXPENSES							
FACILITIES:							
Maintenance and Operations Facilities							
North Bay Operations & Maintenance Facility	1,582,700	30,232,000	5,132,061	19,130,939	12,846,605	5,969,000	59%
Central Bay Operations & Maintenance Facility	937,539	38,000,000	1,228,371	5,750,629	1,954,527	31,021,000	8%
Float Rehabilitation							
Regional Spare Float Replacement	(201,617)	3,862,000	58,976	2,965,024	1,398,453	838,000	38%
Gangway, Pier & Terminal Improvement							
Clipper Site preparation - Vallejo	-	300,000	148,695	151,305	28,721	-	59%
East Bay Ferry Terminal Refurbishment	7,889	2,595,400	341,509	2,253,891	2,022,927	-	91%
Electronic Bicycle Lockers	-	79,500	-	79,500	-	-	0%
Channel Dredging - Vallejo	13,045	1,200,000	-	75,000	57,854	1,125,000	5%
FERRY VESSELS:							
Major Component Rehabilitation / Replacement							
Vessel Engine Overhaul - Gemini Class Vessels	-	1,320,000	-	1,320,000	777,927	-	59%
Vessel Engine Overhaul - Solano	-	2,000,000	699,042	1,240,958	567,866	60,000	63%
Major Component Rehab - Pisces	-	200,000	-	200,000	-	-	0%
Vessel Mid-Life Repower/Refurbishment							
Vessel Mid-Life Refurbishment - Bay Breeze	989	5,015,000	4,738,923	276,077	78,526	-	96%
Vessel Mid-Life Refurbishment - Peralta	606,581	5,260,000	-	3,310,000	3,373,932	1,950,000	64%
Vessel Expansion/Replacement							
Purchase Replacement Vessel - Express II & Encinal	2,954,723	33,951,000	50,568	7,649,432	3,176,433	26,251,000	10%
Purchase Replacement Vessel - Vallejo	-	20,000,000	-	200,000	387	19,800,000	0%
CAPITAL EQUIPMENT / OTHER:							
Purchase 18-Ton Crane Truck	-	175,000	-	175,000	-	-	0%
Purchase Work Skiff	(176)	100,000	-	100,000	99,533	-	100%
SERVICE EXPANSION:							
Future Expansion Service Studies							
Berkeley Terminal - Environ/Concept Design	-	2,335,000	2,183,016	151,984	3,783	-	94%
Antioch - Environ/Concept Design	-	812,500	146,198	25,002	218	641,300	18%
Martinez - Environ/Concept Design	-	812,500	164,894	25,006	-	622,600	20%
Downtown Ferry Terminal Expansion - Environ/Concept Design	249,577	3,300,000	2,581,846	718,154	687,756	-	99%
Terminal/Berthing Expansion Construction							
SSF Terminal Oyster Mitigation Study	-	275,000	83,330	191,670	29,854	-	41%
Downtown Ferry Terminal Expansion - Bridging Design	-	3,745,000	-	1,872,500	-	1,872,500	0%
Richmond Ferry Terminal	99,015	1,862,500	559,294	1,040,706	232,637	262,500	43%
Total Capital Expenses	6,250,264	157,432,400	18,116,723	48,902,777	27,337,941	90,412,900	
CAPITAL REVENUES							
Federal Funds	1,861,470	64,124,919	6,622,379	17,515,330	8,831,513	38,421,985	24%
State Funds	2,376,799	50,366,926	8,146,559	21,924,882	14,460,572	39,971,042	45%
Local - Bridge Toll	1,208,737	36,457,071	2,456,805	5,753,455	1,934,317	10,268,872	12%
Local - Alameda Sales Tax Measure B	803,259	5,133,484	890,980	3,659,111	2,111,539	451,000	58%
Local - San Francisco Sales Tax Prop K	-	1,300,000	-	-	-	1,300,000	0%
Local - Transportation Funds for Clean Air	-	50,000	-	50,000	-	-	0%
Total Capital Revenues	6,250,264	157,432,400	18,116,723	48,902,777	27,337,941	90,412,900	

MEMORANDUM

TO: Board Members

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

SUBJECT: WETA Federal Legislative Board Report – July 28, 2015

This report is divided into four sections:

Senate Passes “Long Term” Transportation Bill But Much Work Remains
FHWA Ferry Formula Grant Program
FTA Ferry Discretionary Grant Program
Tax Benefit for Transit Commuters

Senate Passes “Long Term” Transportation Bill But Much Work Remains

The Senate passed a six-year surface transportation bill at the end of July, which bill sponsors named the DRIVE Act (Developing a Reliable and Innovative Vision for the Economy). While Senate leaders billed this as a “long term” bill, funding for highways and transit was only identified for three of the six years.

Unfortunately, there was not time for further action on the DRIVE Act before Congress adjourned for the August recess. Therefore, the House and Senate passed a three-month extension of current law. Without an extension, funding for highways and transit would have run dry in August. With the Senate passing the DRIVE Act, and with current law now expiring at the end of October, the House will presumably feel pressure take up its own surface transportation bill after the August recess, which would be followed by a House-Senate Conference Committee to reconcile differences between the two bills. Assuming this were all to happen, a final bill would be sent to the President for his signature.

Our lobbying on the DRIVE Act has been focused on the Federal Highway Administration (FHWA) ferry formula program and the Federal Transit Administration (FTA) ferry discretionary grant program. Details of those efforts follow.

FHWA Ferry Formula Grant Program

The DRIVE Act is similar to the transportation bill that the Senate Environment and Public Works (EPW) Committee marked up last year in that it makes two significant (and WETA-supported) changes to the FHWA ferry formula program first created by MAP-21:

The bill increases the annual funding dedicated to this program to \$75 million (from \$67 million); and the bill changes the formula from one that disadvantages WETA [45% vehicles, 35% route miles, 20% passengers] to one that is more favorable for WETA [35% passengers, 35% vehicles, 30% route miles].

Preserving the new formula in the DRIVE Act, given that the EPW Committee Chairman is currently Jim Inhofe from Oklahoma (and not necessarily a friend of passenger ferries), is a major win for WETA, and has a lot to do with our work to “buck up” Senator Boxer and her staff over the past few years.

FTA Ferry Discretionary Grant Program

The DRIVE Act does not increase funding for the FTA ferry grant program – funding stays flat at \$30 million per year. This is despite the fact that funding increases were applied to many other transit grant programs, including the Section 5307 Urbanized Area Formula Program, under which the FTA ferry grant program is authorized. Funding for the 5307 program was increased from \$4.6 billion under MAP-21 to \$5.2 billion under the DRIVE Act.

Given that neither California Senator is a member of the Senate Banking Committee, which has jurisdiction over the FTA ferry grant program, we long ago aligned ourselves with the New York City federal affairs office. This partnership makes sense given that Staten Island ferries, while bigger than WETA’s ferries, are similar in that they are passenger only and have very short route segments. The benefit to WETA of being aligned with NYC is that two of NYC’s Senators are senior members of the Banking Committee and presumably have clout on this issue.

It is not clear why the NYC’s two Senators were rebuffed on the FTA ferry grant program. Nonetheless, we plan to “turn up the heat” on them, and expand our lobbying outreach to other members of the Banking Committee, focused on those members that represent ferry systems that would benefit from the FTA ferry grant program. Unfortunately, the other systems do not have Washington, DC representation (i.e. we cannot rely on those systems to convey our message to their Senators, as NYC has been doing). Instead, we have asked for support from the Masters, Mates and Pilots (MMP), which has long supported WETA efforts with the Bay Area Congressional delegation.

Going forward, there will be at least two opportunities to increase the level of funding for the FTA program: 1) when the House takes up its own surface transportation bill; and 2) during the House-Senate Conference Committee.

Tax Benefit for Transit Commuters

The Senate Finance Committee recently passed a tax “extenders” package, a collection of tax breaks that expired on December 31, 2014. Included in the extenders package is a provision that we lobbied for on behalf of WETA and that would put commuter tax benefits for transit at the same level as parking. Currently, the tax benefit for transit commuters is \$130 per month, but parkers can get up to \$250 per month. The provision in the Finance package would make the two benefits equal at \$250 per month, through January 1, 2017.

It’s not clear when the extenders package will be taken up by the full Senate, or when the House will consider their version of the tax extenders package. It’s possible that final passage will not happen until closer to the end of the year.

END

State Legislative Report
August 2015

Barry Broad & Shane Gusman

Currently the legislature is on its one-month summer recess and will reconvene on August 17 for its final month of activity. It adjourns on September 11 and then the Governor has a month to sign or veto legislation.

Legislation

We are currently taking a strong support position on SB 231 by Senator Ted Gaines (R-El Dorado Hills). This bill will clarify that WETA is eligible to compete for funding under two grant programs established by AB 32, California's "cap and trade" carbon credit program. These two grant programs are the Affordable Housing and Sustainable Communities Program (AHSCP), which funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduces greenhouse gas emissions and the Low Carbon Transit Operations Program (LCTOP), which provide operating and capital assistance for transit agencies to reduce GHG emissions and improve mobility.

SB 231 is currently in the Assembly Appropriations Committee. It has been passing with strong and nearly unanimous bipartisan support.

Special Session on Transportation

Earlier in the year, the Governor called two special sessions, one to deal with health care funding and the other to deal with transportation funding. These special sessions are running concurrently with the regular session and the Legislative leadership plans to put together a package of bills to be placed on the Governor's desk by the end of the regular session in mid-September.

So far the Transportation special session has been focused on funding streets and highways and high-speed rail (which is the Governor's main priority). There is little or no additional funding for transit operations in the bills that have been introduced.

However, last week, at the urging of the California Transit Association, an identical two-bill transportation funding package has been introduced in both the Assembly and State Senate as follows:

SBx1 8 (Hill) and AB x1 7 (Nazarian)—would double the cap and trade revenues continuously appropriated to public transit from 15% to 30%. This would raise

approximately \$300 million annually, which would be administered as part of the grant programs administered under AB 32.

SBx1 7 and ABx1 8 (Chiu and Bloom)—would increase the sales and use tax on diesel fuel from 1.75% to 5.25%. If enacted, these bills would raise approximately \$300 million that could be used for either transit capital projects or operations.

We will be working actively with the coalition of transit agencies, labor, and environmental groups that is forming to push hard in the final month for public transit to be included the final legislative package that emerges from the special session.

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

(June 4, 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 1:00 p.m.

2. PLEDGE OF ALLEGIANCE AND ROLL CALL

Chair Breckenridge led the Pledge of Allegiance. Other directors present were Director Jeff DelBono, Director Timothy Donovan and Director Anthony Intintoli.

3. REPORT OF BOARD CHAIR

Chair Breckenridge reported that she had attended the Port's emergency response exercise that morning. She noted that the regional disaster and response simulation was remarkable in that it was the first full-scale exercise done on the waterside that had occurred during her tenure at WETA. She said more exercises were expected and that they would ultimately feed into WETA's future emergency response plan.

4. REPORTS OF DIRECTORS

No reports.

5. REPORTS OF STAFF

Executive Director Nina Rannells shared her written report with the Board and welcomed any questions or comments. She added that along with Chair Breckenridge she had attended the Port's Emergency Response exercise earlier that morning with Manager of Operations Keith Stahnke, Operations Administrator Kevin Donnelly and Administrative/Policy Analyst Lauren Gularte. She said it was an interesting exercise which induced good dialog about crowd management and general response improvements.

Director Donovan asked if the Directors could receive a reminder a few days ahead of any applicable emergency response exercises so they could participate if available and so inclined. Ms. Rannells apologized that Directors were not reminded and noted that the Port staff had asked that WETA not invite additional representatives for this exercise. Chair Breckenridge noted that this exercise was focused on exercising the Port's emergency plan and that WETA would be participating in the Yellow Command September 11th Urban Shield 2015 exercise which is focused on coordination between transit and emergency management agencies during a regional event. Ms. Gularte explained that the Yellow Command exercise will be more applicable to WETA's emergency plan and more beneficial for the Board Members to observe than the exercise today. She said that WETA will be participating in the exercise in two locations. WETA staff will be in the Coastal Region's Regional Emergency Operations Center in Walnut Creek with CalOES staff, and other staff will be activating the WETA EOC. Ms. Rannells said the Directors would be advised of details on where best to observe the exercises and reminded of this important multiregional event which will be taking place all over the Bay Area. Chair Breckenridge introduced the Office of Emergency Services Coastal Regional Administrator Jodi

Traversaro, who said she was attending the meeting to integrate and synchronize coordination with WETA. The Board thanked her for her attendance.

Ms. Rannells then reported that there had been an incident with Harbor Bay service that morning and asked Mr. Stahnke to share the details of the event with the Directors.

Mr. Stahnke reported that at 8:30 a.m. the *Bay Breeze* had left the dock at Harbor Bay carrying 218 passengers and within a few minutes ran aground. He said the tide at the time was extremely low and that the vessel had moved slightly out of the channel which is a very narrow space to navigate. The ferry was stuck for approximately 60 minutes and was assisted back to the dock where 189 of the 218 original passengers were transferred to another vessel and were delivered safely to their San Francisco destination at 10:30 a.m. without incident. No injuries occurred and while passengers were not happy about being delayed, there were no complaints. The incident was reported to the US Coast Guard and to Blue & Gold Fleet engineering. Mr. Stahnke said that a dive team found no damage to the *Bay Breeze* other than a possible steering concern which appeared to be electrical. He noted that it was not yet clear whether the steering issue contributed to or was a result of the vessel running aground and said that was being investigated. Mr. Stahnke said the *Bay Breeze* would be fully tested and approved by the Coast Guard before being put back into service.

Director DelBono noted that the Harbor Bay channel was very shallow and Ms. Rannells reminded the Directors that the channel had not been dredged prior to the dredging project WETA had supported several years ago. Mr. Stahnke confirmed that the naturally occurring channel was 1/8 mile offshore and just 100' wide and that it had been dredged to create the 200' wide channel in use today. He said channel markers had been relocated to align with the newly deepened channel and noted that the areas right outside the channel were still extremely shallow.

Director Donovan asked if the *Peralta*, in Phase One of its mid-life refurbishment, would be ready to put back into service on schedule. Mr. Stahnke said that major testing would begin in the next week including electrical, fire safety, generators, and plumbing and the first sea trial was scheduled for the week of June 8, 2015. He emphasized that the objective was to put the boat back into service as soon as possible once all operating and safety tests and inspections were completed for Phase One. He said Phase Two of the work would begin in late fall, most likely around November, with the vessel in full operation again until then.

The Board reviewed the most recent financial statements and Ms. Rannells referred the Directors to the financial reports, noting that spending continued to be less than budgeted. Chair Breckenridge said that was positive news and she welcomed questions or comments, of which there were none.

Ms. Rannells referred the Directors to the legislative update from WETA Federal Legislative Representative Peter Friedmann of Lindsay Hart, LLP, and said that WETA State Legislative Representative Barry Broad, of Broad & Gusman, LLP, was expected to attend and deliver a report to the Board at the August meeting.

6. CONSENT CALENDAR

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

- a) Board Meeting Minutes of May 7, 2015;
- b) Approve Amendment to Agreement with the Association of Bay Area Governments for the Provision of Accounting Support Services;

- c) Approve Amendment to Agreement with Solano County Transit for the Provision of Bus Services;
- d) Approve Amendment to Blue & Gold Fleet Operating Agreement to Include Services for the Management and Operation of the Vallejo Ferry Terminal Ticket Office;
- e) Approve Amendment to Agreement with Nossaman LLP for the Provision of Legal Services;
- f) Approve Amendment to Agreement with Fast Ferry Management, Inc. for the Provision of Marine Services;
- g) Approve Amendment to Agreement with Nematode Media, LLC (DBA Bay Crossings) for Advertising in *Bay Crossings* and Other Services;
- h) Authorize Filing Applications with the Metropolitan Transportation Commission for FY 2015/16 Regional Measure 1 Capital Funds.

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

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

7. APPROVE PURCHASE OF COMMERCIAL INSURANCE POLICIES

WETA Manager of Administration and Business Services Melanie Jann presented this item requesting Board approval to purchase commercial insurance policies in the amount of \$183,000. She referred the Directors to the insurance detail provided and noted that this insurance did not include vessel insurance which was provided by Blue & Gold Fleet.

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

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

8. AUTHORIZE RELEASE OF A REQUEST FOR PROPOSALS FOR PHASE TWO MID-LIFE REFURBISHMENT OF THE PERALTA VESSEL

Mr. Stahnke presented this item requesting Board authorization for the release of a Request for Proposals (RFP) for Phase Two Mid-Life Refurbishment of the vessel *Peralta*. He said the objective would be to name a contractor for the work by late summer.

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

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

9. AUTHORIZE RELEASE OF AN INVITATION FOR BIDS FOR HARBOR BAY FERRY TERMINAL PILING REPLACEMENT PROJECT

Mr. Stahnke presented this item requesting Board authorization to release an Invitation for Bids for the Harbor Bay Ferry Terminal Piling Replacement Project.

Mr. Stahnke noted that the terminal had been constructed in the early 1990s for the provision of ferry services which began in 1992. Since then, he said, the pilings had failed twice, most recently in 2011. Mr. Stahnke said that WETA staff had worked with its on-call engineering team at COWI Marine North America to provide an assessment and scope of work with the objective of soliciting qualified firms to provide pile driving service to replace some or all pilings, of which there were five. He said the work was projected to begin in September. Ms. Rannells clarified that the project would allow the Harbor Bay

Terminal facility to support larger boats. Chair Breckenridge asked if there were any questions or comments on the item and there were none.

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

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

10. STATUS REPORT ON ALAMEDA ACCESS PLAN ACTIVITIES

WETA Manager of Planning and Development Kevin Connolly delivered this informational item regarding Alameda Access Plan Activities. He explained that the Alameda Access Plan (Plan) completion process was currently in a holding pattern. He noted that the Plan draft was nearly complete but that WETA planners had taken a step back to allow the City of Alameda to implement several parking initiatives for each of the terminals. Mr. Connolly said that this approach had successfully engaged the City as well as other local partners, encouraging these entities to get involved and have a stake in the solutions. He said he expected that the Plan would be finished and released at the end of the summer. He noted that even if there were no further changes that the Plan engaged WETA's partners to help find solutions to challenges ferry riders currently have to manage when arriving in cars, on foot, or on bicycles to the Alameda terminals. He noted that once things had moved forward with the City's parking initiatives later this year, WETA planners would be in a better position to pursue additional solutions for pedestrian and bicyclist access.

Director DelBono asked if the plan required approval by the Alameda County Transportation Commission. Mr. Connolly replied no, explaining that the Plan document was for the Board. He said that the Plan would be shared with the Commission as an informational item later this year. Chair Breckenridge asked if there was a comprehensive timeline for bringing the Plan solutions to fruition. Mr. Connolly clarified that the Plan would be continually refreshed as a working document and that the priority would be to add additional parking and improve bus service to the terminals via a new AC Transit Alameda County service initiative, which was currently about six months away from implementation. He said subsequent improvements would arrive according to their own timetables. Chair Breckenridge asked if there were any other comments or questions on the item and there were none.

11. AUTHORIZE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE LEASE AGREEMENT WITH THE CITY OF ALAMEDA FOR THE ALAMEDA MAIN STREET FERRY TERMINAL OVERFLOW PARKING LOT

Mr. Connolly presented this item requesting Board authorizations for the Executive Director to negotiate and execute a Lease Agreement with the City of Alameda and take any other such related actions to provide for the Alameda Main Street ferry terminal overflow parking lot.

Mr. Connolly shared a photograph of the lot with the Directors and explained that in anticipation of a BART strike in July 2013, the City of Alameda Staff, along with WETA staff, had identified the property then as the most ideal to support overflow parking for ferry riders. Mr. Connolly explained that the City has been using the property for Parks equipment storage. He noted that the property has now been emptied by the City. The proposed agreement is for a no-cost lease for an initial term of five years, with an option to renew for an additional five years and the additional provision that the City may charge for parking during the optional years. As a part of this agreement, WETA would invest in paving and striping the lot and construct a cross walk to support the use of the property creating approximately 130 more parking spaces at the terminal. .

Director DelBono asked how many riders were currently parking at the terminal and how many total parking spaces would be available after completion of the overflow lot. Mr. Connolly said the current parking need was for about 700 cars and the current lot supported 326 cars. He explained that with the new lot adding about 130 more spaces, the total number of parking spaces would be around 656 which would be confirmed after striping was completed on the pavement.

Director DelBono asked if it would be possible for the City to allow riders to park in the additional Officer's Club parking lot on the south side of the building when not in use as a possible additional overflow parking solution. Director DelBono said the lot in question was not presently used during the week. Mr. Connolly said the lot had been discussed and may be reconsidered down the road as parking needs grow, along with other potential options available around the Alameda terminals.

Director Donovan asked if there would be pedestrian walkway improvements for the walking paths from the parking lots to the terminals. Mr. Connolly said the crosswalk would connect to a new landscaped pathway that will provide safer and more comfortable access for riders.

Chair Breckenridge solicited any other questions or comments on the item and there were none.

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

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

12. ADOPT WETA SYSTEM EXPANSION POLICY

Mr. Connolly presented this item requesting that the Board adopt the WETA System Expansion Policy and associated evaluation measures.

Mr. Connolly reviewed the WETA proposed service Expansion Policy which had been detailed for the Directors at the Board Workshop on May 28, 2015. He explained that the policy laid out the definition of service and clarified service goals and metrics, and would serve as a document to share with project partners and potential partners in an effort to fund, develop and implement service objectives for WETA services. The policy would be a planning template for WETA staff and serve as an integral part of WETA's plans to expand service.

Chair Breckenridge confirmed with Mr. Connolly that the policy document would serve as an addendum to WETA's Strategic Plan. Ms. Rannells emphasized that the policy would be a vital tool in successfully expanding WETA services.

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

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

13. ADOPT WETA SYSTEM PERFORMANCE TARGETS POLICY

Mr. Connolly presented this item requesting that the Board adopt the WETA System Performance Targets Policy and associated evaluation measures.

Mr. Connolly explained that the objective of the Performance Targets Policy would be to clarify and measure WETA's minimum and maximum service performance levels. He said examples of the Policy's

service concerns include capacity issues and leave-behinds. He emphasized that its targets would be revisited and revised over time, including raising the bar when performance levels consistently exceed maximum targets. He further clarified that the metrics will initially reflect the current level of service and that all expansion projects will be expected to reach minimum service levels within ten years. He advised that the policy would serve as a working document to help adjust service needs and expectations over time using established metrics.

Director Donovan asked for clarification of the recovery period when services reach maximum levels. Mr. Connolly explained that generally, when service is expanded that productivity measures go down, and that the four year recovery period for new service built into the System Performance Targets Policy would support that expectation.

Chair Breckenridge asked for further questions or comments and there were none.

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

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

14. ADOPT WETA TERMINAL ACCESS POLICY

Mr. Connolly presented this item requesting that the Board adopt the WETA Terminal Access Policy and associated evaluation measures.

Mr. Connolly said the Terminal Access Policy would be equally applicable to current and future facilities. He said that it would engage cities and localities to become greater stakeholders in fostering ferry ridership in their populations and that it was already successfully utilized as a tool to evaluate and assess rider access needs at the existing Alameda terminals.

Director DelBono requested confirmation that the WETA Terminal Access Policy would assure that local partners such as cities would provide feeder transit services management and participate in access solutions for ferry riders arriving on foot, in cars or on bicycles. Ms. Rannells replied that the expectation would be that WETA staff would partner with local stakeholders and would work in tandem with them to address access concerns as makes sense and that the Access Policy would help in that process by engaging these partners. Chair Breckenridge added that the Access Policy would also aid in clarifying roles and responsibilities for WETA and its partners and potential partners as related to terminal access. She then asked for further questions or comments and there were none.

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

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

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

Chair Breckenridge noted that she had received a public comment request from Mr. Ray Perman who had also asked that a letter be distributed to the Board. Mr. Perman had also provided an information packet about the organization he represents.

As Mr. Perman was no longer present, Director DelBono asked if his letter should be discussed. WETA counsel Stanley Taylor of Nossaman LLP clarified that the item was not on the agenda and that the

time to discuss it would be during the public comment period. Chair Breckenridge asked WETA Staff to provide a brief discussion and explanation of Mr. Perman's request.

Ms. Rannells explained that Mr. Perman was requesting permission to dock a ferry vessel at WETA's Oakland terminal to support a fundraiser event. She explained that WETA occasionally allows other operators to land at WETA terminals under agreed upon parameters. She noted that this permission had been granted in the past to Mr. Perman and his organization, but that certain circumstances have changed that have lead staff to deny Mr. Perman's current request. Ms. Rannells noted that Mr. Stahnke had had numerous conversations with Mr. Perman about his specific request and that he had explained why the request was denied and offered alternative solutions to provide the service that he desired. Ms. Rannells then asked that Mr. Stahnke review that process and those conversation details for the Board.

Mr. Stahnke explained that since the last time Mr. Perman's group was granted permission to land at a WETA terminal, WETA had invested in capital improvements, including piling replacement and repair, for the Oakland terminal to specifically support vessels in the current WETA fleet. He noted that size and velocity details of WETA vessel landings drove those terminal requirements and other vessels' needs or requirements have not been considered or included in that work. Specific to Mr. Perman's request, the Hornblower private charter vessel Mr. Perman has requested to land at WETA's Oakland terminal is about twice the size and capacity of WETA's largest vessel. Allowing the Hornblower vessel, he cautioned, or any vessel of this size to land at a WETA terminal could jeopardize WETA's service and this is why Mr. Perman's request had been denied.

Chair Breckenridge confirmed for the Board that there was a process in place to receive such requests. She said that despite granting permission to other operator landings in the past that the environment had changed. She further noted that any such future requests would be considered using the information WETA had received in its engineering analyses of its fleet and terminals and that WETA's primary objective in the process will be to protect its infrastructure.

Mr. Stahnke added that WETA staff and engineers had worked with both Red & White and Hornblower to grant them landing rights for some of their vessels at some of the WETA facilities but that the 800 passenger vessel Mr. Perman requested to use for his event was not suitable due to its size.

Director Donovan asked if the information regarding what WETA's facilities would be available during emergency response activities. Chair Breckenridge replied that it would be and that WETA would coordinate with all parties in the emergency response transportation cell to maximize response time and efficiency. She emphasized that life is the first priority in emergency response efforts, of course, and noted that after life safety, protecting assets to support that first priority is paramount.

Ms. Rannells noted that there would be no actionable items for the Board in the month of July and suggested that the Board next meet in August. Director Intintoli agreed. Mr. Stanley confirmed the meeting in July could be cancelled without a formal vote. The directors agreed that they would next meet in August.

Chair Breckenridge asked if it made sense for the Board to visit the new facility on Mare Island in Vallejo since it was nearing completion. Mr. Connolly said the landside portion of the facility should be available to visit this fall, but would not be operational until the waterside portion is constructed. Chair Breckenridge asked that WETA staff look at the calendar and the facility and see when it will make best

sense for a Board site visit and ultimately, a ceremony to invite the public to help bring the new facility online.

Chair Breckenridge asked if there were any further public comments or questions and there were none.

16. ADJOURNMENT

All business having concluded, the meeting was adjourned at 1:45 p.m.

Respectfully Submitted,

Board Secretary

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Release of a Request for Proposals for Selective Catalyst Reduction (SCR) System Rehabilitation on Four Vessels

Recommendation

Authorize release of a Request for Proposals (RFP) for Selective Catalyst Reduction (SCR) System Rehabilitation on four vessels: *Gemini*, *Pisces*, *Taurus* and *Scorpio* (Gemini class vessels).

Background/Discussion

The vessels *Gemini* and *Pisces* were built by Nichols Brothers Boat Builders in 2008, and the *Taurus* and *Scorpio* were built by Kvichak Marine Industries in 2010. During original construction, the Selective Catalytic Reduction (SCR) system was installed on each of the Gemini class vessels for emissions reduction. Each of the four vessels has minor differences in the SCR system based on lessons learned from each installation. The SCR systems have performed as required, but have begun to show signs of aging and are experiencing issues affecting reliability and use.

In recent years, SCR technology has become increasingly advanced for road and stationary engines but less so for the marine environment due to the limited number of vessels employing this technology. This situation is changing as major engine manufacturers are required to comply with new EPA marine emissions rules. These new rules, which are scheduled to become effective in 2017, have resulted in the availability of more options for SCR systems.

This project will overhaul and refurbish the SCR emissions treatment systems on all four Gemini class vessels. Major components of the system will be repaired or replaced improving reliability and reducing maintenance. Work would start in FY2015/16 and would be scheduled for each vessel to coincide with other maintenance work in order to minimize vessel downtime and reduce project expenses.

Fiscal Impact

The Selective Catalyst Reduction (SCR) System Overhaul project is included in the FY 2015/16 Capital Budget, funded with Federal Transit Administration (FTA) grant funds and AB664 Bridge Toll Revenues.

END

MEMORANDUM

TO: Board Members

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

**SUBJECT: Authorize Release of a Request for Proposals for Ferry Vessel Gemini
Quarter Life Refurbishment Project**

Recommendation

Authorize release of a Request for Proposals (RFP) for Ferry Vessel *Gemini* Quarter Life Refurbishment Project.

Background/Discussion

Aluminum catamaran ferry vessels have a lifecycle of approximately 25 years. Refurbishment projects during the lifecycle of a vessel generally include a minor refit when the vessel has reached its quarter life (at approximately 6 years), a major refit at the vessel's midlife (at approximately 12 years), another minor refit at the vessels three quarter life (at approximately 18 years), and replacement when the vessel is approximately 25 years old. The three other Gemini class vessels will be scheduled for similar refits over the next few years.

The ferry vessel *Gemini* was built for WTA, WETA's predecessor agency, by Nichols Brothers Boat Builders in 2008. It currently has over 7,000 operating hours and is ready for a minor refit project to improve vessel reliability and passenger amenities. Staff is also evaluating the viability to increase the passenger capacity from 149 to 199. This minor refit project is required to ensure the vessel operates reliably and safely and is necessary to support operation of this vessel in revenue service for its full 25 year life expectancy.

This project provides for a general refurbishment of the vessel and will include the following components:

- Refurbish shafts, propellers and rudders and replace bearings;
- Passenger cabin: replace and re-upholster seating, replace carpets, renew deck coatings, touch up interior finishes; and
- Vessel systems: overhaul HVAC, electrical, plumbing, fire and lifesaving safety systems.

The vessel *Gemini* refit is planned for Winter/Spring 2016 and will be coordinated with the vessel's required periodic U.S. Coast Guard dry-docking and inspection. Staff anticipates being in a position to return to the Board with a recommendation for contract award for this work later this fall.

Fiscal Impact

This project is included in the FY 2015/16 Capital Budget and is funded with Federal Transit Administration (FTA) grant funds and AB664 Bridge Toll Revenues.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Release of a Request for Qualifications for North Bay Vessel Construction Management Services

Recommendation

Authorize release of a Request for Qualifications (RFQ) for North Bay Vessels Construction Management Services.

Background

The WETA owns and utilizes a fleet of 12 vessels to operate its four service routes including Alameda/Oakland to San Francisco, Alameda Harbor Bay to San Francisco, Alameda/Oakland to South San Francisco, and Vallejo to San Francisco services. This fleet effectively consists of two sub-fleets including four 34-knot vessels operated in the North Bay Vallejo service and eight 25-knot vessels that are operated in the Central Bay Alameda/Oakland, Alameda Harbor Bay and South San Francisco services. While there is some interchangeability of these vessels between the North and Central Bay services, vessels can generally be categorized into these two sub-fleets based upon the faster operating speed required to meet the Vallejo service schedule. Two vessels are currently under construction to replace the Central Bay vessels the *Encinal* and the *Express II*.

Discussion

One of the of the four North Bay vessels, the *Vallejo* is included in the FY 2015/16 Capital Budget for replacement. The *Vallejo* is a 267 passenger vessel utilized in the operation of the Vallejo service. It has met the regional replacement age of 25 years, qualifying it for Federal Transit Administration capital replacement funds available through the Metropolitan Transportation Commission in accordance with their Transit Capital Priorities process. In addition, the Richmond service is expected to begin in 2018 and will require two vessels. A North Bay class vessel with its faster speed will be able to operate on 60 minute headways and is recommended for this route.

Given the current ridership demand and steady growth in the North Bay Vallejo service, it is staff's assessment that these vessels should have 34-knot service speed and a minimum passenger capacity of 400.

This RFQ will solicit proposals from qualified firms to assist with vessel specifications bid preparation, vessel construction management oversight and warranty administration once the vessels are put into service. Once the best qualified proposer is identified, staff will return to the Board to propose a contract award for this work.

Fiscal Impact

The Vessel Replacement – M/V *Vallejo* and the Richmond Ferry Vessels projects are included in the FY 2015/16 Capital Budget. These projects are funded with a combination of Federal Transit Administration (FTA) grant funds, State Proposition 1B (Prop 1B) grant funds, Regional Measure 2 Bridge Toll Revenues and AB664 Bridge Toll Revenues.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Authorize Release of a Request for Proposals for Ferry Vessel *Intintoli*
Major Component and Waterjet Rehabilitation Project

Recommendation

Authorize release of a Request for Proposals (RFP) for the Major Component and Water Jet Rehabilitation project work for the vessel *Intintoli*.

Background/Discussion

This project provides for replacement of the major propulsion train subcomponents of the M.V. *Intintoli* waterjet fast ferry vessel, built in 1997. 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 has been 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 will require that the installing shipyard complete the engineering for approval by WETA staff. All vessel modifications will be subject to US Coast Guard review, inspection, and approval.

This refit is planned for Winter/Spring 2016. The vessel will be drydocked for this work and the US Coast Guard will witness the drydocking for regulatory compliance purposes. 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 4-6 weeks to accomplish this work package.

Fiscal Impact

The Major Component and Waterjet Rehabilitation project for the vessel *Intintoli* is included in the FY 2015/16 Capital Budget and is funded with Federal Transit Administration (FTA) grant funds and Regional Measure 1 – 2% (RM1 2%) Bridge Toll revenues.

END

MEMORANDUM

TO: Board Members

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

SUBJECT: Approve Contract Award to Vortex Marine Construction, Inc. for Marine Construction Services for the Vallejo Ferry Terminal Dredging Project

Recommendation

Approve the following actions relative to the Vallejo Ferry Terminal Dredging Project:

1. Approve contract award to Vortex Marine Construction, Inc. of Oakland, California for Marine Construction Services in an amount not to exceed \$1,731,400 which includes a 10% owner's contingency;
2. 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; and
3. Approve a budget increase to the Vallejo Ferry Terminal Dredging project in the FY 2015/16 Capital Budget in the amount of \$200,000 to support full funding of this project.

Background

Maintenance dredging of the Vallejo Ferry Terminal is required on an ongoing basis to support continued ferry operations and to ensure that the float is buoyant at all tidal levels for continued access by the ferry boats. The last dredging episode occurred in 2011 between the months of August and October. In order to dredge the basin, the existing gangway and float must be disconnected and removed. A temporary float and gangway will be installed just south of the Vallejo Ferry Terminal to allow for continued ferry operations during the dredging project and maintenance work will be completed on the permanent float while it is out of service.

On October 2, 2014, the WETA Board authorized the Executive Director to execute a consultant services agreement with CLE Engineering (CLE) for professional engineering services to acquire all permits and prepare construction documents for maintenance dredging work at the Vallejo Ferry Terminal. On May 7, 2015, the Board of Directors authorized soliciting Invitations for Bids (IFB) for the Vallejo Dredging Project.

Discussion

The Vallejo Ferry Terminal Dredging project includes dredging of the terminal area, installation of a temporary passenger loading facility and rehabilitation of the permanent passenger float. This project will be implemented during the Summer/Fall 2015 dredge window in the area and is expected to occur over a six-week period beginning on or around the first week of September 2015.

On May 22, 2015, WETA released an IFB for the work associated with the dredging and rehabilitation of the passenger float at the Vallejo Ferry Terminal. A pre-bid conference was held on June 3, 2015, and was attended by 5 marine construction firms.

A total of four addendums were issued providing additional information, clarification and answers to questions from bidders. Bids were due to WETA on or before July 17 at 2:00 p.m. A total of four bids were received in response to the IFB. The table below summarizes the price for each submittal.

FIRM	PRICE PROPOSAL
Vortex Marine Construction, Inc.	\$1,574,000
The Dutra Group	\$1,793,000
Manson Construction Co.	\$1,950,100
R. E. Staite Engineering Inc.	\$1,778,550

A public bid opening was held on July 17, 2015, at which time the bid submitted by Vortex Marine Construction, Inc. (Vortex) was determined to be the apparent low bid based upon the price proposal submitted. In accordance with the IFB process utilized for this project, staff has reviewed the bid documents submitted by Vortex and has determined them to be responsive. Additionally, staff has verified references submitted by Vortex and determined them to be responsible and acceptable for performing this work.

Staff has determined the bid from Vortex to be the lowest responsive and responsible bidder for the Vallejo Ferry Terminal dredging project and recommends that the Board of Directors authorize award of a contract for this work in the amount of \$1,731,400, which includes a 10% owner's contingency for appropriation in the event that unanticipated work is necessary to complete this project.

WETA's overall annual Disadvantaged Business Enterprise (DBE) goal and Small Business Enterprise (SBE) goal for Federal Fiscal Year 2015/16 is 1.36% for FTA-assisted contracts. Staff has reviewed the DBE/SBE materials provided by Vortex and has determined that 0% DBE participation and 48.88% SBE participation is anticipated during the performance of this contract.

Bid Protest

On July 29, 2015, WETA received a bid protest from the second lowest bidder, R.E. Staite Engineering Inc. (Staite) asserting irregularities in the form of the Vortex bid. Because WETA's protest policies state that pre-award protests shall be limited to issues related to the form and content of the Invitation for Bids itself, the protest was returned to Staite, indicating that it was not timely. We are currently reviewing the issues raised in the Staite protest and have preliminarily concluded that they do not rise to such a level as to invalidate the Vortex bid.

Fiscal Impact

The Vallejo Ferry Terminal Dredging project is included in the FY 2015/16 Capital Budget at a cost of \$1.70 million. A capital budget increase in the amount of \$200,000 is required to fund the full project cost, including construction management and administration, at an estimated total cost of \$1.90 million. Sufficient Federal Transit Administration (FTA) grant funds and AB664 Bridge Toll Revenues are available to support this project budget increase.

END

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

RESOLUTION NO. 2015-22

APPROVE CONTRACT AWARD TO VORTEX MARINE CONSTRUCTION, INC. FOR DREDGING SERVICES FOR THE VALLEJO FERRY TERMINAL AND AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE THE AGREEMENT

WHEREAS, the WETA issued an Invitation for Bids (“IFB”) for dredging work at the Vallejo Ferry Terminal on May 7, 2015; and

WHEREAS, the WETA has established procedures in its Administrative Code relating to the selection and contracting of Construction Services; and

WHEREAS, the WETA followed the procedures in its Administrative Code regarding solicitation and evaluation of qualifications; and

WHEREAS, WETA staff has recommended the award of these construction services to Vortex Marine Construction, Inc. for the Vallejo Ferry Terminal; now, therefore, be it

RESOLVED, that the Board of Directors hereby approves entering into an agreement with Vortex Marine Construction, Inc. for dredging services at the Vallejo Ferry Terminal for an amount not to exceed \$1,731,400 which includes a 10% owner’s contingency; and

RESOLVED, that the Board of Directors hereby approves a budget increase in the FY 2015/16 Capital Budget in the amount of \$200,000 to the Vallejo Ferry Terminal dredging project to support full funding of this project; and be it further

RESOLVED, that the Board of Directors authorizes the Executive Director to negotiate and execute the 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 August 24, 2015.

YEA:

NAY:

ABSTAIN:

ABSENT:

/s/ Board Secretary

2015-22

END

MEMORANDUM

TO: Board Members

FROM: Nina Rannells, Executive Director
Kevin Connolly, Manager, Planning & Development
Keith Stahnke, Manager, Operations

SUBJECT: Authorize Service Enhancements to Address Capacity Shortfalls on San Francisco Bay Ferry Services

Recommendation

Authorize the following actions related to the implementation of service enhancements to address capacity shortfalls experienced on San Francisco Bay Ferry services:

- 1) Formalize a mid-season service adjustment to allow for one additional crewed vessel to operate increased afternoon Alameda/Oakland and Vallejo services, and modification of the Vallejo Route 200 peak period schedule through the Summer season ending October 30, 2015; and
- 2) Authorize staff to develop a service plan for implementation next Spring/Summer season (beginning March 2016) that includes utilization of one additional crewed vessel in both the morning and evening peak period commute periods; and
- 3) Authorize an increase to the FY 2015/16 Operating Budget in the amount of \$825,200 to support proposed service enhancements, to be funded with Regional Measure 1 - 5% Bridge Toll funds.

Background

Service Demand

Ferries have begun carrying an increased number of the Bay Area commuters in recent years. One reason why travelers have chosen the ferry over other alternatives is the reliability, comfort and quality of the service. Ridership on all San Francisco Bay Ferry services has been growing rapidly, reaching the point where vessels are exceeding board-adopted occupancy standards and passengers are frequently left behind. This problem is especially acute in the PM commute for both Vallejo and Oakland-Alameda ferry riders. While the Harbor Bay service has also experienced leave-behinds on both morning and evening peak departures, this has predominantly been the result of vessels being out of service for repairs and should be resolved as the fleet is restored to full working order.

High demand for transbay travel is not just isolated to the WETA system. Golden Gate Ferry is regularly leaving passengers behind on its evening departures and BART and AC Transit have both supplemented their operating budgets to provide additional services to address increased demand and record-breaking ridership.

The Board adopted the WETA System Performance Policy in June 2015. This policy provides a range of performance targets to provide guidance to match service levels with demand.

The policy states that “when a project or service achieves maximum levels, it is an indication that a service enhancement or increase may be justified.” A key indicator of system performance is peak hour occupancy, which is defined as the percent of a vessel that is occupied in the peak hour. The maximum peak hour occupancy standard is 85 percent.

For Vallejo, the three peak PM departures from the ferry building averaged 90 percent occupancy for the six week period beginning June 1, 2015. The peak hour departures for Alameda/Oakland service for the same period averaged 89 percent occupancy. This summer, leave-behinds have become an increasingly regular occurrence on the evening departures to Vallejo at 4:30 PM and 5:15 PM and to Alameda/Oakland at 5:20 PM.

Service Constraints

WETA is limited in its ability to fully serve its growing ridership demand by two significant factors: the size of its fleet and available operating funds.

Vessels

The size and number of vessels in the fleet places a constraint on service offerings. Today, only three of the four Vallejo vessels can adequately address demand and even those are not large enough to accommodate the number of passengers who desire to take the 5:15 PM departure. Alameda/Oakland service uses the largest vessels in the fleet, operating on 30-minute frequency and these have not been sufficient to prevent leave-behinds. The limited number of spare or backup vessels also affects daily operations. Regular maintenance and dry dock stints will pull vessels out of service, as occurred in Harbor Bay in July, and there was no vessel large enough to handle regular demand.

Larger vessels are under construction or in the procurement stages that will provide additional capacity to address demand, but will not be available for 24-36 months. In 2017, there will be two 400-passenger replacement vessels that will go into service in the central bay. By 2018, there will be three new 400-passenger high speed vessels that can be deployed interchangeable in Vallejo and the new Richmond service.

Funding

The second limiting factor for service enhancement is WETA’s operating funding structure, which is largely driven by Regional Measure 2 (RM2) program requirements and restrictions given that this is WETA’s largest source of operating subsidy. Unfortunately, this funding is fixed at \$15.3 million per year and has not been escalated by the Metropolitan Transportation Commission (MTC), the program administrator, over the years to account for cost inflation. In addition, per MTC rules, the RM2 funds cannot be “banked” or held over from previous years, meaning that when there is surplus funding from higher-than-anticipated fare revenue, WETA must give the RM2 funding back to the MTC.

Given these limitations, good budgeting practice dictates that WETA limit service growth and make conservative budget estimates in order to ensure that sufficient RM2 operating funds are available to support service cost escalation over time. Service adjustments, such as those proposed as a part of this item, and that will be necessary in future years if ridership continues to grow at current rates, will only be possible to implement and sustain in the long run with a commitment from MTC to provide increased levels of RM2 Bridge Toll or other new operating funds to support the San Francisco Bay Ferry system.

Discussion

Regular overcrowding and leave-behinds experienced on several of our services in the past two months has resulted in an increase in customer frustration due to disruption to their travel plans. To this point, on July 22, staff received a petition signed by 276 Vallejo passengers requesting more back-up buses to address peak-period afternoon/evening leave-behinds and better communication about impacted services.

Staff works closely with Blue and Gold Fleet on a daily basis to try to optimize vessel scheduling, and, for Vallejo service, the use of back-up bus services, to minimize leave-behinds. As a part of normal operations, it is common practice to call in additional back-up buses or schedule a shadow vessel to help address overcrowding on days when high ridership is anticipated (Giants game days, for example) or lower-capacity vessels are in operation on high-demand trips. However, the consistently high service demand experienced in June and July has exceeded our ability to effectively manage leave-behinds without a significant investment in additional services.

Proposed Service Enhancements

This item requests authorization to formalize utilization of an additional evening vessel and crew, as implemented on a temporary basis starting August 3, through the end of the Summer season (October 30) to address service overcrowding on the Alameda/Oakland and Vallejo services by providing:

- A direct 4:00 trip from Pier 41 to Oakland and Alameda – This trip will allow the vessel regularly scheduled at this time to operate directly out of the SF Ferry Terminal; and
- A new 5:30 ferry departure from the SF Ferry Terminal to Vallejo – This additional trip will replace the currently scheduled 5:30 bus, allowing additional passenger capacity (on a ferry) during this peak period slot.

These trips will generally be provided with a 199 passenger Gemini-class vessel currently utilized as a part of the Central Bay spare fleet. Staff will work to concurrently adjust the Route 200 operating schedule to optimize bus trips to complement the new 5:30 ferry departure and develop a Route 200/back-up bus schedule for the Winter to support evening commute period demand.

This item further request authorization to develop a service plan for next Spring/Summer season (beginning March 2016) that includes utilization of one additional crewed vessel in both the morning and evening peak commute periods. This would include enhanced evening service next summer similar to that proposed above, as well as utilization of an additional vessel in the morning to augment Central Bay services and allow for more flexibility in vessel scheduling and deployment to address peak period leave behinds experienced on the Harbor Bay and other highly utilized Alameda/Oakland trips.

Fiscal Impact

Implementation of proposed service enhancements is estimated to cost an additional \$825,200 in FY 2015/16. This increase will be funded with Regional Measure 1- 5% (RM1-5%) Bridge Tolls available in reserve to support system operating and capital needs. Staff plans to approach MTC to discuss this program of service enhancements and request an escalation of RM2 funds, similar to that provided to the Solano Transportation Authority and other Bay Area transit operators by MTC earlier this year, to support our ability to grow and sustain enhanced service levels in future years.

END