

SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY

MINUTES OF THE BOARD OF DIRECTORS MEETING

(November 3, 2011)

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

1. ROLL CALL AND CALL TO ORDER

Chair Charlene Haught Johnson called the meeting to order at 1:05 p.m. Directors present were Vice Chair Anthony Intintoli, Director Beverly Johnson and Director John O' Rourke.

2. REPORT OF BOARD CHAIR

Chair Johnson noted that she and Executive Director Nina Rannells had met with Eddie Orton of Orton Redevelopment at the Rosie the Riveter Museum in Richmond, CA regarding his support of potential Richmond ferry service.

3. REPORT OF DIRECTORS

None.

4. REPORTS OF STAFF

Executive Director Nina Rannells elaborated on the Board Chair's report, noting that using a pre-existing terminal facility in Richmond had been discussed. She said that modifying and using such a terminal instead of building a new one could potentially lower construction costs and accelerate implementation of the Richmond service, but further investigation would be required to determine the modifications necessary to ensure that the facility meets all of WETA's operational needs and requirements. She also reminded the Board that environmental review of the Richmond service was already underway. Chair Johnson remarked that it would be a coup for WETA to be able to re-use an existing dock.

Ms. Rannells noted that WETA's federal legislative representative Peter Friedmann of Lindsay, Hart, Neil & Weigler, LLP reported positive movement toward recapturing \$2.5 million annual set-aside funding for WETA through ISTEA, and being able to reach back and collect it for the years it had not been paid. She noted that in a time when competition for limited funds had grown so competitive this was especially good news and noted her thanks to Mr. Friedmann.

Director Johnson asked if these funds were for capital projects or operations. Ms. Rannells replied that they were for WETA-defined capital projects and that they could be used for any capital needs such as replacement vessels or the Vallejo maintenance facility depending on its eligibility for federal funding.

5. CONSENT CALENDAR

Vice Chair Intintoli made a motion to approve the consent calendar, including minutes from the October 6, 2011 Board meeting and the WETA Board of Directors' meeting schedule for 2012. Director O' Rourke seconded the motion and the item carried unanimously.

6. APPROVE A FERRY SERVICE FARE POLICY

Planner/Analyst Michael Gougherty presented this item requesting Board approval of an agency fare policy to guide the establishment and modification of ferry service fares. He noted that due to limited operating subsidy, WETA must establish system fares to support a share of annual system operating costs. The proposed fare policy was designed to support both system cost recovery and promote system ridership. He reviewed these elements of the policy and noted that once a policy was adopted, work would begin on determining a fare structure for the upcoming South San Francisco service which would be brought to the Board for approval at a later date. Mr. Gougherty then invited questions from the Board, also noting the presence of Chris Wornum of Cambridge Systematics who had helped to prepare the policy in conjunction with WETA staff.

Director Johnson asked if system cost recovery was calculated per route or system-wide. Ms. Rannells answered that it was currently per route for reporting to MTC. Director Johnson noted that this should be specified in the policy.

Vice Chair Intintoli made a motion to approve the item with Director Johnson's change that cost recovery be specified as per route. Director O' Rourke seconded the motion and the item carried unanimously.

7. APPROVE FISCAL YEAR 2011/12 BUDGET FOR THE VALLEJO FERRY SERVICE

Ms. Rannells presented this item requesting Board approval of a proposed Fiscal Year 2011/12 Budget for the Vallejo Ferry Service. Ms. Rannells noted that WETA did not anticipate the transfer of operations to occur for several months and that the budget before the Board was for the full year as adopted by the City of Vallejo. She noted that the estimated revenue and expenditure split between operations under the City of Vallejo and operations under WETA is a projection based upon an estimated December 31 transfer and that the final system budget under WETA would be determined based upon the actual date of the system transfer.

She noted that there were two major capital projects in the budget, the channel dredging and the repower of the *Intintoli* and *Mare Island* ferries.

Vice Chair Intintoli noted that it appeared that farebox recovery was about 45% for the Vallejo service. Ms. Rannells replied that in recent years it had been between 45% and 50% and was within MTC's 30% requirement to be eligible for RM2 funds.

Director Johnson asked what Route 200 was. Ms. Rannells replied that it was a complementary bus service funded by the Baylink ferry system and intended to augment the ferry schedule. This service would be operated on behalf of WETA under agreement with SolTrans, which is the agency that recently took over the Vallejo bus operation. Vice Chair Intintoli noted that the cost had previously been approximately \$1.5 million per year. Ms. Rannells noted that the lower amount was due to the recent service reductions intended to focus ridership back to ferry service.

Director Johnson asked for clarification on why Route 200 wasn't broken out of the budget with detailed expenses related to the bus service. Ms. Rannells replied that the bus service was a single line expense as it was operated under contract.

Director Johnson asked if the City of Vallejo had adopted the transfer agreement that the Board approved on October 6. Ms. Rannells replied that the City had approved it on October 11. Vice Chair Intintoli added that the Council had passed it on a vote of 6 to 1.

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

8. AUTHORIZE ACTIONS ASSOCIATED WITH THE REPLACEMENT OF THE HARBOR BAY EXPRESS II VESSEL

Operations Manager Keith Stahnke presented this item requesting the Board to authorize staff to develop plans and take actions necessary to retire and replace the Harbor Bay Express II vessel. He noted that the Express II had served as a back-up vessel to the Bay Breeze for Harbor Bay service but that in recent years WETA's vessel Pisces had replaced it as the primary back-up due to the marginal condition and reliability of the Express II. Mr. Stahnke said that from an operational and economical perspective the Express II had reached the end of its useful life.

Public Comment

Veronica Sanchez of Masters, Mates & Pilots noted that she may be the only fan of the Express II and asked if it could be useful for emergency response or in service to a shallower port due to its low draft.

Chair Johnson said that the vessel was a complete drain and needed to go immediately and that not another dime should be spent on it. Ms. Sanchez said that she understood that position but suggested it be kept in mind for future needs where the low draft could be a factor.

Chair Johnson asked if it had any value or could even be sold. Mr. Stahnke said that it was possible that a buyer could be found or it could be sold as scrap, adding that the hull would need a minimum of \$100,000 in work before the boat could pass Coast Guard certification. Ms. Rannells added that historically the boat had never performed well for the service.

Director Johnson said that if WETA should consider a plan for a similar boat if it needed to be replaced. Ms. Rannells said that there would be a need for more boats and Mr. Stahnke added that there would just barely be enough boats in the fleet to cover all the routes with two Vallejo Baylink vessels being refurbished, the loss of the Express II, and the start of the South San Francisco service. Director Johnson said that there should be a plan to maximize usefulness of any new boats to prevent having another boat that sits out as the Express II had.

Ms. Rannells added that building new boats required extensive environmental clearance while replacing existing vessels did not, so replacement had practical considerations. She also noted that the need for replacement vessels would be included in the Short Range Transit Plan that staff is starting to develop in order to meet MTC's planning and fund programming requirements.

Mr. Stahnke added the *Encinal* is also approaching end-of-life but that they would attempt to hold onto it for as long as was practical. Ms. Rannells said that securing enough funding for a replacement vessel will be a challenge. She said that staff will look at all funding options and opportunities and put together a plan for moving forward with a replacement.

Director Johnson suggested that WETA have a long-term plan for vessel replacements that identifies vessel lifespans and anticipates replacement needs. Ms. Rannells concurred and indicated that this is part of what the Short Range Transit Plan will include.

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

9. AUTHORIZE RELEASE OF A REQUEST FOR QUALIFICATIONS (RFQ) FOR MARKETING AND PUBLIC INFORMATION SERVICES

Ms. Rannells introduced this item requesting that the Board authorize the release of a Request for Qualifications for Consulting Services in order to provide a variety of ongoing marketing and public

information services. She noted that this RFQ was intended to provide WETA with a list of on-call marketing and public information service providers for use in the coming years similar to WETA's previous RFQs for on call planning and marine engineering services.

Director Johnson indicated her appreciation for the new customer-facing service name and logo. Director O' Rourke made a motion to approve the item. Vice Chair Intintoli seconded the motion and the item carried unanimously.

10. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION

Chair Johnson called the meeting into closed session at 1:44 p.m. Upon reopening of the meeting at 2:27 p.m. she reported that no action had been taken.

11. ADJOURNMENT

All business having concluded, the meeting was adjourned at 2:27 p.m.

Respectfully Submitted,
Board Secretary