

**SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION AUTHORITY**

**MINUTES OF THE BOARD OF DIRECTORS MEETING**

*(April 7, 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 1:10 p.m. Directors present were Vice Chair Anthony Intintoli, Director Johnson and Director John O'Rourke. WETA counsel Stanley Taylor III of Nossaman LLP led the Pledge of Allegiance.

**2. REPORT OF BOARD CHAIR**

None.

**3. REPORT OF DIRECTORS**

None.

**4. REPORTS OF STAFF**

Executive Director Nina Rannells offered several updates to her written report. She noted that the Water Transit Advocates of San Mateo County had met on April 6 in South San Francisco adjacent to the site of the new terminal at Oyster Point. Chair Johnson asked if any progress could currently be seen at the construction site. Manager of Planning and Development John Sindzinski replied that piles would be driven the following week and that the float would then be barged to the terminal site. Ms. Rannells said that current activities at the site were impressive on a technical level but not yet visually exciting.

Ms. Rannells then noted that the Community Advisory Committee would meet on April 27, and that on April 26 she would represent WETA on a panel at a Bay Planning Coalition conference. She added that this year the Women's Transportation Seminar would be meeting in San Francisco from May 18 through May 20 and that staff would be presenting them with an overview of WETA's program and an excursion on the Alameda/Oakland Ferry.

Vice Chair Intintoli referred to the statement of revenue and expenses in the Executive Director's report and asked if any of the funding sources for the construction of the South San Francisco ferry terminal were currently at risk. Ms. Rannells replied that they were not.

Ms. Rannells said that WETA State Legislative Representative Barry Broad was expected to arrive shortly to deliver a deliver State Legislative report. Chair Johnson asked if there was also a report from WETA Federal Legislative Representative Peter Friedmann. Ms. Rannells said there was not a written report but that they speak weekly and that currently things were in flux in Washington but that he anticipated that the TEA bill would be addressed in the upcoming session.

Upon arrival Mr. Broad delivered his State Legislative Report. He noted that tagalong legislation was included along with \$9 billion in state budget cuts which clarified that Prop 1B funds due to WETA would not expire until four years after they had been received, not four years after they had been allocated. He added that Ms. Rannells had noted that WETA's relationship with CalEMA staff

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is good, but this legislative clarification was still very important to ensure that WETA has sufficient time to mobilize and implement projects once funds are available.

Mr. Broad added that it was impossible to predict the outcome of the current budget crisis but that for the time being transit appeared to be safe from further cuts.

Vice Chair Intintoli asked what potential cuts at the state level could affect WETA. Mr. Broad said that all bets were off during the crisis, noting that while funding sources like RM2 should be secure, any funds that the state could get its hands on were potentially at risk, even if it was it would be clearly illegal and litigable for the state to do so.

Director Johnson asked about the status of state funding for redevelopment agencies and enterprise zones. Mr. Broad said that cutting redevelopment agencies would require an unlikely two-thirds vote, and that there was no support for cutting enterprise zones, although he added that there was really no clear consensus on either.

#### Public Comment

Veronica Sanchez of Masters, Mates & Pilots asked if there had been any issue with the \$25 million Prop 1B funds.

Mr. Broad responded that the only issue will be actually selling the bonds to anyone.

Ms. Sanchez asked what projects were most at risk if this source of funding did not continue apace. Ms. Rannells replied that it would impact the central bay maintenance facility and the Berkeley project to a certain degree. Finance and Grants Manager Lynne Yu added that WETA had only received \$4 million of the potential \$25 million in the past year, and that she was not sure if the bond sales for last Fall ever occurred.

#### **5. CONSENT CALENDAR**

Vice Chair Intintoli made a motion to approve the minutes from the March 10, 2011 Board of Directors meeting. Director O'Rourke seconded the motion and the item carried unanimously.

#### **6. APPROVE CONTRACT AWARD FOR THE PURCHASE OF RADIO EQUIPMENT TO RED CLOUD, INC.**

Ms. Rannells presented this item requesting Board approval of a contract award for the purchase of radio communications equipment to Red Cloud Inc. and authorize to the Executive Director to execute an individual purchase agreement in an amount not to exceed \$48,000.

Director Johnson asked if the equipment would be Phase 2 compliant. Ms. Rannells said that interoperability with current equipment had been the key factor in the selection process. Director Johnson asked that staff please ensure Phase 2 compliance before moving forward to avoid potentially expensive compatibility issues.

Chair Johnson asked if these units were being bought to use or to test. Ms. Rannells responded that they were for use on the vessel *Scorpio*, and if they worked well they would be considered for the other WETA ferries.

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

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**7. APPROVE AMENDMENT NO. 3 TO THE CONTRACT WITH URS CORPORATION FOR ENVIRONMENTAL REVIEW AND PERMITTING RELATED TO THE BERKELEY FERRY TERMINAL PROJECT**

Mr. Sindzinski introduced Planner/Analyst Chad Mason, who presented this request for the Board to approve Amendment No. 3 to the contract with URS Corporation, authorizing \$175,000 in additional funds to cover completion of the Environmental Impact Statement/Environmental Impact Report and environmental permitting and authorize the Executive Director to execute the contract amendment.

Mr. Sindzinski reviewed the status of the Berkeley project with the Board, reminding them that the Berkeley City Council had approved a parking plan for the preferred terminal site at the Berkeley Marina in a seven-to-two vote and noting that a parking solution was now in place that BCDC staff has indicated they would support.

Mr. Mason then presented an overview of the item along with Item 9 which was also attached to the Berkeley terminal project.

Director Johnson said although there had been delays with the Berkeley project, she was pleased that it had come along as far as it had.

Chair Johnson asked if the project was now being received more favorably by the community. Mr. Sindzinski said that while some determined opposition was expected to continue, substantial and engaged support of the project had been demonstrated and that enthusiasm for a terminal in Berkeley was clear noting the long-term support of Councilmember Laurie Capitelli and Mayor Tom Bates.

Chair Johnson asked what the next steps would be. Mr. Sindzinski said that completion of the EIS/EIR was required to move forward with the permitting process, which would include land use and building permits along with BCDC approval.

**Public Comment**

Ms. Sanchez asked what WETA's obligation would be to Bay Trail improvements as part of the BCDC approval.

Mr. Sindzinski said that there was not yet a final number agreed upon but that he anticipated it would be approximately \$1 million.

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

**8. APPROVE AMENDMENT NO. 4 TO THE CONTRACT WITH WINZLER & KELLY FOR DESIGN SERVICES RELATED TO THE BERKELEY FERRY TERMINAL PROJECT**

Mr. Mason presented this item requesting that the Board approve Amendment No. 4 to the contract with Winzler & Kelly, authorizing \$175,000 in additional funds to cover completion of conceptual design and entitlement processes and authorize the Executive Director to execute the contract amendment.

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

**9. AUTHORIZE THE METROPOLITAN TRANSPORTATION COMMISSION TO ALLOCATE AN ADDITIONAL \$950,000 REGIONAL MEASURE 2 FUNDS TO SUPPORT FY 2010/11 VALLEJO BAYLINK SERVICE OPERATIONS AND TRANSITION EXPENSES**

Ms. Rannells presented this item requesting that the Board authorize the Metropolitan Transportation Commission to allocate an additional \$950,000 Regional Measure 2 funds to the City of Vallejo to support FY 2010/11 Baylink service operations and transition expenses.

Vice Chair Intintoli asked when the Vallejo City Council would consider the Transition Agreement. Ms. Rannells said that it was scheduled for their May meeting.

Vice Chair Intintoli then asked when the service changes would be approved. Ms. Rannells said that Gary Leach was presenting the schedule change proposal to the City Council at their April 12 meeting. Director Johnson asked when the changes would go in effect. Ms. Rannells replied that the changes would become effective beginning August 1.

Director Johnson asked if the Board should delay action on this item until after the City Council takes action on the service cuts. Ms. Rannells replied that the two were not directly related. Vice Chair Intintoli pointed out that the funds needed are to cover a potential budget shortfall this year and that service cuts would help to balance the budget next fiscal year. He urged that to help facilitate closure of the service transition WETA should avoid giving the impression that they are holding an axe over the city. He added that he felt the current schedule of events was correctly aligned.

Director Johnson asked how the proposed service cuts had been received.

#### Public Comment

Gary Leach, City of Vallejo, said that in the two weeks after having updated the proposal in response to issues that came up during the public hearings, no additional comments had been received.

Ms. Rannells added that over the course of four public input hearings, several issues had come up repeatedly and that the schedule proposal had been modified in response to the concerns of the riders.

Director Johnson expressed concern that WETA not appear as the villain in regard to the cuts. Ms. Rannells responded that that was why WETA's engagement in the comment process in partnership with the city had been so important. Mr. Leach added that he agreed that WETA's involvement had been an important part of the process and that it had been made clear at the meetings that the service could meet passenger capacity needs but that scheduling issues needed to be addressed.

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

#### **10. AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO COOPERATIVE AGREEMENT WITH MTC TO IMPLEMENT CLIPPER ON WETA FERRY SERVICES**

Planner/Analyst Michael Gougherty presented this item requesting the Board to authorize the Executive Director to negotiate and enter into a cooperative agreement with MTC to implement Clipper on WETA's ferry services.

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

#### **11. APPROVE AMENDMENT NO. 14 TO THE CONTRACT WITH NOSSAMAN, LLP FOR THE PROVISION OF LEGAL SERVICES AND AUTHORIZE RELATED ACTIONS**

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Ms. Rannells presented this item recommending Board approval of Amendment No. 14 to the agreement with Nossaman, LLP for the provision of legal services providing an additional \$450,000 in FY 2010/11 contract authority and authorize the Executive Director to execute the amendment. The related actions also authorize a FY 2010/11 Operating Budget increase in the amount of \$450,000 to support this contract amendment and authorizes the Executive Director to file an application with MTC for additional FY 2010/11 RM2 operating funds in this amount for this purpose.

Ms. Rannells noted that the legal work required this year is extraordinary, and largely related to the essential work done by Nossaman in regard to the service transition. Mr. Taylor said that he felt embarrassed to bring an additional request to the Board but pointed out that he billed a personal rate discounted 25%, and that Nossaman offered a 12.5% discounted billing rate once total expenses reach \$500,000, that is increased to a 15% discount after \$1 million in total expenses.

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

#### **12. UPDATE ON DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION**

Mr. Gougherty presented this informational item regarding expansion of berthing capacity at the Downtown San Francisco Ferry Terminal in order to support new ferry services to San Francisco, as set forth in WETA's Implementation and Operations Plan.

Chair Johnson asked if the project would start in 2012. Mr. Sindzinski replied CEQA and NEPA should be completed in 2012. Chair Johnson asked if the expansion would be able to accommodate the Treasure Island service. Mr. Sindzinski said that Treasure Island would be addressed with a phase-in plan as the service grew and that Gate F in the expansion plan was designated as the terminal for Treasure Island service.

Chair Johnson asked what would happen to Sinbad's Restaurant. Mr. Sindzinski said that they were on a monthly lease and that the Port of San Francisco would be responsible for relocating them. Mr. Gougherty noted that staff had been involved in extensive outreach with stakeholders and that this project was less likely to encounter issues such as the ones encountered in Berkeley.

#### **13. UPDATE ON CENTRAL BAY OPERATIONS AND MAINTENANCE FACILITY**

Mr. Gougherty presented this informational item regarding a project to construct a Central Bay Operations and Maintenance Facility to serve as the base for WETA's existing and future central bay ferry fleet.

#### **Public Comment**

Ms. Sanchez asked if there was sufficient Prop 1B funding available to start final design this year, and if so, would there be sufficient funding for the construction phase.

Mr. Gougherty replied that there was enough to take the project through final design. Regarding construction, Mr. Sindzinski added that the waterside aspects of the project could be completed in stages as funding becomes available.

Director Johnson asked what kind of offices would be housed in the landside facility. Mr. Gougherty reviewed the concept for the floor plans which included areas for maintenance and storage, parts storage, administrative offices for the operator, crews and captains, and an emergency operations center.

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Director Johnson asked if the city had expressed any concerns over the height of the facility. Mr. Gougherty replied that WETA had been working closely with City of Alameda staff during the planning stages and that there had been no concerns expressed regarding the height, noting that the adjacent USS Hornet was considerably taller.

**14. RECESS INTO CLOSED SESSION AND REPORT ON CLOSED SESSION**

Chair Johnson called the meeting into closed session at 2:53 p.m. Upon reopening of the meeting at 3:25 p.m. she reported that no action had been taken.

**15. ADJOURNMENT**

All business having concluded, the meeting was adjourned at 3:25 p.m.

Respectfully Submitted,

Board Secretary

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