

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

(April 6, 2017)

The Board of Directors of the San Francisco Bay Area Water Emergency Transportation Authority met in regular session at the Port of San Francisco, Pier 1 in San Francisco, CA.

1. CALL TO ORDER – BOARD CHAIR

Chair Jody Breckenridge called the meeting to order at 1:15 p.m.

2. ROLL CALL

Chair Breckenridge, Director Jeffrey DelBono, Director Timothy Donovan and Director Anthony Intintoli were in attendance.

3. REPORT OF BOARD CHAIR

Chair Breckenridge said she had been informed by the Governor's Office of Emergency Services (Cal OES) that WETA would likely qualify for funds to repair vessel or facility damage caused by recent Bay Area storms. Ms. Rannells said there was an item in the Consent Calendar on the meeting Agenda for Board approval that was related to Cal OES funding to pay for storm and general disaster damages.

With the Board's consensus, Chair Breckenridge reordered the meeting Agenda to allow open public comments unrelated to specific Agenda items to be heard prior to the meeting's planned closed session recess.

4. REPORTS OF DIRECTORS

Director Donovan thanked staff for their work on the March 21 MV *Hydrus* christening. He noted that it had been a beautiful day and a wonderful event to celebrate WETA's newest vessel.

5. REPORTS OF STAFF

Ms. Rannells shared her written report with Directors and welcomed questions. She said the MV *Hydrus* required just one final approval from the United States Coast Guard and then would be put into service. She added that the MV *Cetus*, WETA's next new vessel, was due to arrive sometime in June. Ms. Rannells also reported that the MV *Mare Island* had just returned the night before from having been in a shipyard in San Diego. She said that the vessel had been sorely missed and would be back in service on Monday.

Ms. Rannells said she and Senior Planners Michael Gougherty and Chad Mason recently met with representatives from the Government Accountability Office (GAO). She said the GAO had asked to meet with staff to learn about the kinds of permitting issues and delay challenges that have arisen in the management of WETA projects under National Environmental Protection Agency and Environmental Impact Statements constraints. She said the GAO would be delivering a report to the Federal Legislature on the feedback they received. Ms. Rannells said she was hopeful that the information shared will prove helpful and may ultimately have a positive outcome on permit hurdles in future federally funded WETA projects. Ms. Rannells added that the discussion had reminded her of how much knowledge and expertise the small WETA staff has accumulated over the years, and she specifically commended Mr. Gougherty and Mr. Mason for their articulation, insights, and idea sharing in the meeting.

Ms. Rannells further noted that Directors had been copied on a batch of mass email correspondence that she had received from what she believed was a Caltrain riders group expressing concern about the anticipated Clipper Card system's next generation implementation. She said she had received the emails as a member of the Clipper 2.0 Executive Board, the group working on the issue. Ms. Rannells explained that the primary concerns expressed in the emails were related to the Metropolitan Transportation Commission's (MTC) fare equity analysis, and whether it is possible to make improvements to the regional system of fares. Ms. Rannells said she would be happy to report on the work of the Clipper 2.0 Executive Board in the future and added that there had already been some work done by committee to better define rider fare levels. She said that other areas people were interested in included a daily cap for public transit use costs, transfer discount consistency, and a mechanism to acknowledge economically disadvantaged transit users. Ms. Rannells said the bulk of the work was in the MTC realm and noted that WETA had adopted the fare definition language used by Clipper years ago when the WETA fare program was implemented. Ms. Rannells said that it was going to take additional substantial effort to move the various Bay Area public transit agencies toward consistency in access and fares and that the Clipper 2.0 Executive Board's work was ongoing.

Ms. Rannells extended an invitation to Directors for a tentative press event to be held the morning before the May 11 Board meeting to kick off the Downtown San Francisco Ferry Terminal Expansion Project construction. She said further details would be shared with Directors when available.

6. CONSENT CALENDAR

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

- a. Board Meeting Minutes – March 2, 2017
- b. Approve Amendment to Agreement with Nematode Media, LLC, for Ferry Ticket Sales and Information Services in Fiscal Year 2017/18
- c. Designation of Authorized Agents to Apply for Federal or State Disaster Assistance Funds

Director Donovan seconded the motion and the item carried unanimously.

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

7. DISCUSSION OF STATE LEGISLATIVE ACTIVITIES

Chair Breckenridge introduced Barry Broad from Broad & Gusman LLP who provided an overview of current activities in Sacramento related to transportation funding and legislation. He noted that if Governor Brown's pending \$52 billion road repair and transportation investment bill passed, the likelihood that a Regional Measure 3 materializing for consideration quickly was very good.

Mr. Broad highlighted new Spot Bill AB1121 introduced by California Assemblymember David Chiu with initial language related to the composition of WETA's Board of Directors. He said the bill was at the policy committee hearing stage and would need to move through its house of origin before progressing further. Mr. Broad explained that the bill was WETA specific and that its author's intention in introducing it was to help WETA. He added that there had been no significant indication that the legislature was interested in changing WETA's present Board composition from an At Large Board to a Stakeholder Board, and he emphasized that the initial bill language was just a placeholder. Mr. Broad further noted that this week, with staff consultation, he had submitted a set of proposals for Assemblymember Chiu's consideration in amending the bill which included language to support removing the current "use it or lose it" constraint on WETA for RM2 funding currently funneled through MTC, as well as language that would formally make WETA eligible for State transit funding which, he said, it already was informally despite the lack of the formal statute language. He explained that adding this language would make it official. Director Intintoli expressed concern about the Board composition language and recalled that there had been challenges with meeting attendance and attaining a quorum when the Board was

composed of stakeholders. Mr. Broad said Assemblymember Chiu was the sponsor of the bill and that based on discussions with Assemblymember Chiu's staff, Directors should expect the placeholder language to be replaced with the true content of the bill before it moves forward.

Ms. Rannells said that if a bill was ever put forth that staff felt would be detrimental to WETA that the Board would be notified immediately and a special meeting of the Directors would be called to discuss those concerns. She further noted that the Bay Area Council's Water Transportation Committee had provided input on the bill, and Mr. Broad said that the new private commercial water taxi and ferry service companies were also interested in having discussions about the bill.

Mr. Broad reminded the Board about the legislation that passed in 2016 to transfer the transportation function of the California Public Utilities Commission (CPUC). He said that this function would most likely be transferred to Caltrans and that this would be clarified in the Governor's Reorganization Plan (GRP) expected this spring. He explained that once this GRP was released, it would be scrutinized in hearings at the Little Hoover Commission and would then move to the legislature for stakeholder input. Mr. Broad said that depending on the details of the GRP, the Board may want to contribute input in that process when that time comes later in the year.

PUBLIC COMMENT

Veronica Sanchez representing Masters, Mates & Pilots suggested that staff begin early due diligence on a future RM3 by developing a county list of activist advocates and supporters. She said this list should include public officials and this work should begin now versus later to assure WETA is prepared when the time comes to mobilize the support that will be required for this crucial funding measure.

8. AUTHORIZE ISSUING RFP FOR FEDERAL LOBBYING SERVICES

Administrative/Policy Analyst Lauren Gularte presented this item to authorize issuance of a Request For Proposals for federal lobbying services to support WETA's program of projects and services beginning July 1, 2017.

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. Absent: Wunderman.

9. AUTHORIZE ISSUING RFP FOR GENERAL COUNSEL LEGAL SERVICES

Ms. Rannells presented this item to authorize staff to issue a Request For Proposals for general counsel legal services. She said that in her research for this item, she found that there were two basic contract models most commonly used for these services. Ms. Rannells said the first model was based on estimated general counsel work for usual things, like procurement and Board meeting attendance, to establish a fixed monthly fee, plus project or need based hourly rates charged for more unusual needs such as leases and compliance issues. She said the second model was basic straight hourly time and materials billing. Ms. Rannells said that as this procurement process moves forward, the flexibility to consider both of these models to best support WETA's needs would be advantageous.

The Board discussed the possibility of hiring in-house counsel and agreed that pursuing the procurement process options made better sense because of the wide range of services required to support WETA's projects and operations, as well as the high costs that would be associated to support WETA's breadth of needs in-house.

Director Intintoli made a motion to approve the item.

Director Donovan seconded the motion and the item carried unanimously.

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

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

Jay Gardner from Adventure Cat Sailing Charters and Wind+Wing Technologies said that there was no mention of greenhouse gas emissions from Directors at the alternative propulsion technologies Board Workshop in March. He said he hoped to see a full recap of the workshop and he felt it was shortsighted to not have discussed this topic, especially since the various propulsion technologies were compared as part of the discussion. Mr. Gardner said changes were happening throughout the public transit realm to support reduction of greenhouse gas emissions. He added that he would like to see the issue seriously considered as the Board moves forward on vessel construction with public funds to support WETA's expansion plans.

Bruce Lockey, representing ferry riders in Berkeley, said that he had been pleased to take a water taxi from Berkeley to the Board meeting. He said downsides included no handrails on the vessel and that he would have to wait until 5:30 p.m. to return home because of the schedule. Mr. Lockey asked if it will be possible to have a bus bridge from the BART and Amtrak station to the new Richmond ferry terminal and he expressed concern about ample parking spaces at the planned Richmond terminal. Chair Breckenridge said that bus service to the new terminal was being discussed.

Veronica Sanchez from Masters, Mates & Pilots extended an invitation to the opening of a photography exhibit of pictures taken by union and blue collar workers of the Blue & Gold Fleet that will be hosted and displayed at Pier 1 by the Port of San Francisco beginning May 5. She said the opening would be on May 4 and that the crews would be sending out invitations for the 5:30 p.m. to 7:30 p.m. event.

11. RECESS INTO CLOSED SESSION

a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Chair Breckenridge recessed the meeting at 2:24 p.m. and the Board met in closed session to negotiate the Terms and Conditions of Long-Term Lease/License Agreements for the Downtown San Francisco Ferry Terminal Expansion Project.

12. REPORT OF ACTIVITY IN CLOSED SESSION

Upon returning from the closed session at 2:42 p.m. Chair Breckenridge said that no action had been taken by the Board during the closed session. She introduced Mr. Gougherty who acknowledged and thanked Jamie Hurley from the Port of San Francisco for all of his help to date on the Downtown Ferry Terminal Expansion Project. Mr. Gougherty then presented the proposed long-term lease and license agreements proposed with the Port of San Francisco to support the Downtown Ferry Terminal Expansion Project and future ferry landings.

Director DelBono made a motion to approve the Long-Term Lease and License Agreements in the Lease Disposition Development Agreement subject to all Lease Disposition Development Agreement requirements.

Director Intintoli seconded the motion and the item carried unanimously.

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

All business having been concluded, the meeting was adjourned at 2:47 p.m.

Respectfully Submitted,
Board Secretary