

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

(October 2, 2014)

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 Jody Breckenridge called the meeting to order at 1:00 p.m. and led the pledge of allegiance. Other directors present were Director Jeff DelBono and Director Anthony Intintoli.

2. REPORT OF BOARD CHAIR

No report.

3. REPORT OF DIRECTORS

Director DelBono reported that he had attended a meeting with Executive Director Nina Rannells and Manager of Planning and Development Kevin Connolly along with the Mayor and City Manager of the City of Alameda. He said that he found it informative regarding the City's concerns and desires regarding ferry service and development in Alameda. He said that the meeting had been productive.

4. REPORTS OF STAFF

Executive Director Nina Rannells referred the Board to her written report and offered several additional items.

First she introduced WETA's new Ferry Operations Administrator Kevin Donnelly, noting that he arrived at WETA following nearly 20 years of service at Blue & Gold Fleet, including 13 years managing operations and maintenance at the Vallejo facility. Ms. Rannells said that Mr. Donnelly had already added value to WETA with his contributions and had come in charging.

Secondly she noted that the Vessel Replacement RFP mentioned in the report had since been issued on September 26.

Next, Ms. Rannells noted that a customer survey had been released, adding that it was the first customer survey issued since 2011. Chair Breckenridge asked if it was a random sampling of passengers, if it was for a specific route or system-wide, and if it was being given online, on paper, or both. Mr. Connolly replied that it was a random sample covering all routes and that it was paper-only. He noted that the survey had originally been scheduled to conclude on October 7 but that it was being adjusted to accommodate the Giants' playoff game schedule.

Director Intintoli asked about the Contra Costa White Paper mentioned in the Executive Director's Report. Ms. Rannells said it was the same paper that the Board had been briefed on several months prior and that she would be glad to brief Chair Breckenridge on it as well in the context of service expansion discussions.

Ms. Rannells noted that WETA had once again developed a program of expanded service for the upcoming Fleet Week event on October 11 & 12. Chair Breckenridge noted that attendance would be significant especially in light of the commissioning of the *USS America*.

Director DelBono asked Ms. Rannells to speak further regarding the meeting he attended with WETA and City of Alameda staff, specifically regarding Alameda Point development and the potential Seaplane Lagoon terminal, and also parking capacity issues around the Alameda terminals.

Ms. Rannells agreed that these were the two key issues discussed. She noted that WETA was currently completing the Alameda Terminal Access Study which addresses the capacity parking issues experienced at the Alameda Main St and Harbor Bay terminals. Regarding a potential terminal at Seaplane Lagoon, she said that WETA had been aware of the City's desire for such a project as it was discussed when the services were transitioned to WETA.. Ms. Rannells said that Mr. Connolly had been looking at various options for serving an additional terminal at Seaplane Lagoon as well as changes to the service that would be required. She said that he had been meeting regularly with both the City of Alameda and the City of Oakland, adding that ridership had grown significantly for both and that the service appeared poised for continued growth.

Director Intintoli emphasized that before investing in large capital projects for new services, new operating funds needed to be secured.

Mr. Connolly addressed the capacity parking issue at the Alameda terminals, noting that increased ridership was a good problem to have. He said that approximately 800 cars had been parking daily in the environs surrounding the Main St terminal, but that the lot only had room for 325. Mr. Connolly said that this had become a bit chaotic but that WETA and the City had come up with several alternative opportunities for off-street parking. Both had met with AC Transit who had agreed to restore bus service directly to the terminal and had come up with some intriguing proposals for improving terminal access which they would discuss with WETA in the coming weeks.

Chair Breckenridge asked if the study would create a clearer, more detailed picture of Alameda Point development, specifically regarding the mix for residential and commercial development. Mr. Connolly clarified that the Terminal Access Study would be authored and released by WETA and was focused on addressing existing needs at the Main Street and Harbor Bay terminals. He further noted that the City of Alameda's development program for Sea Plane Lagoon would be released this fall and that they were currently working with a shortlist of two developers. He said that once that information became available that WETA would have a much better context for identifying potential future service plans with the City.

Chair Breckenridge said that there had been a number of efforts to develop Alameda Point over the years and that WETA needed to take a hard look at any assumptions or projections made regarding the development.

Chair Breckenridge asked if there were any other questions or comments.

Director Intintoli commented on the financial summary, noting the difference between the current farebox recovery and the projected farebox recovery in the budget. He asked if WETA was still comfortable with the budget estimate. Ms. Rannells said that she was. Director Intintoli asked why the number was higher for Vallejo than the other services. Ms. Rannells explained that farebox recovery is the result of a number of factors on both the cost and revenue side. She noted that it is generally high now because of the increased ridership during the summer months, but that it would likely trend down as ridership and resulting fare revenue, decline in the winter and vessels are dry-docked for maintenance and repair, which will result in added expenses.

5. CONSENT CALENDAR

Director Intintoli made a motion to approve the consent calendar which included the Board of Directors meeting minutes of September 4, 2014 and a request for Authorization the Filing of an Application with the Metropolitan Transportation Commission for \$1,872,500 Regional Measure 2 Capital Funds.

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

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

6. CERTIFY THE ENVIRONMENTAL IMPACT REPORT FOR THE DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT; MAKE CERTAIN FINDINGS OF FACT; ADOPT A STATEMENT OF OVERRIDING CONSIDERATIONS; AND ADOPT A MITIGATION MONITORING AND REPORTING PROGRAM

Senior Planner Mike Gougherty presented this item requesting that the Board certify the environmental impact report for the Downtown San Francisco Ferry Terminal Expansion Project; adopt a mitigation monitoring and reporting program; make certain findings of fact; adopt a statement of overriding considerations; and approve the project.

Mr. Gougherty made an administrative note, stating that a slightly amended resolution for this item had been provided to the Board and that copies were available for the public. He noted that the change was a clarification of the future administrative process regarding the release of the construction RFP.

Mr. Gougherty introduced members of the project team in attendance, including Ian Austin and Kelly Bayer of URS who were working on the environmental review contract, Rob Thornton of Nossaman LLP, representing the legal team, and Jamie Hurley of the Port of San Francisco, who Mr. Gougherty noted had been incredibly helpful in coordinating all they key agencies and staff involved in the project.

Chair Breckenridge asked Mr. Gougherty if in his opinion WETA had attended to all of the agencies' or individuals' concerns expressed to date and if he anticipated any further concerns once the report had been issued.

Mr. Gougherty replied that in his opinion WETA had made a good faith and sincere effort to respond to all of the comments received, adding that to the extent that these entities' positions remain unchanged that WETA had done an adequate job of addressing their comments.

Public Comment

Jamie Hurley of the Port of San Francisco congratulated WETA staff and Board on reaching this milestone, thanking Mr. Gougherty, Mr. Connolly and former WETA Manager of Planning and Development John Sindzinski as well as WETA's team of consultants for their work on the project. He said that WETA and the Port had established a close working relationship throughout the process and that WETA had embraced the need to do extensive outreach with all Bay Area stakeholders. Mr. Hurley noted that the project was in a sensitive historic district and is one of the most popular and iconic locations in the City of San Francisco and that WETA had been sensitive to the process in that regard. He added that the Port looked forward to a continued partnership with WETA on the project.

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

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

7. APPROVE AMENDMENT TO AGREEMENT WITH URS CORPORATION FOR ENVIRONMENTAL REVIEW SERVICES FOR THE DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT

Mr. Gougherty presented this item requesting that the Board approve Amendment No. 3 to Agreement No. 10-004 with URS Corporation authorizing additional funds in the amount of \$165,000 for environmental review services for the Downtown San Francisco Ferry Terminal Expansion project; extend the contract term to June 30, 2017 and authorize the Executive Director to negotiate and execute the amendment.

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

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

8. PROJECT UPDATE FOR THE NORTH BAY OPERATIONS AND MAINTENANCE FACILITY

Ms. Rannells introduced this informational item, noting that the project had started over ten years before under the City of Vallejo prior to WETA's involvement. She added that the next two items on the agenda were related to the project and then introduced Senior Planner Chad Mason who delivered the presentation to the Board.

Chair Breckenridge asked if all the steel would need to be reground and if it was of sufficient quality to reuse. Mr. Mason said the steel was good and that it would all need to be regrounded. Chair Breckenridge asked if the building had indeed been a warehouse, and if so, why it was protected as a historic building. Mr. Mason said that it was part of a historic district.

Chair Breckenridge asked if there were abandoned buildings in proximity, noting a concern over rodent incursion. Mr. Mason said that there was, and that WETA would need to actively mitigate. Mr. Donnelly said that Terminix needed to be applied several times a week at the existing facility. Mr. Mason added that WETA would actively engage Lennar Mare Island, the property owner, to control populations in their adjacent buildings if it became problematic.

Chair Breckenridge asked if earthquake assessment had been completed and if there may be more damage yet unknown. Mr. Mason said that inspection had been completed and that he anticipated very few additional issues in the limited remaining excavation.

Chair Breckenridge asked how far into the steel reinforcement work the project was. Mr. Mason said very far. He added that completion of the work on the parapets would make it a much safer building.

Chair Breckenridge asked what work the property owner was doing on roads and local access regarding earthquake compliance. Mr. Mason was not certain as the area had not suffered major impact but reported that Lennar would be going through a process with the City of Vallejo on areas outside of WETA's fence-line.

Director Intintoli said that the most substantial quake damage had been in the area near the officers' homes and looked very similar to the damage seen in photos from the 1898 quake on the same Mare Island fault. Mr. Mason noted that the original stained glass windows in the historic chapel had survived thanks to a wooden frame which absorbed the impact.

9. APPROVE AMENDMENT TO AGREEMENT WITH WESTON SOLUTIONS INC. TO PROVIDE ADDITIONAL CONSTRUCTION MANAGEMENT SERVICES FOR THE NORTH BAY OPERATIONS AND MAINTENANCE FACILITY PROJECT

Mr. Mason presented this item to the Board requesting approval of actions related to the North Bay Operations and Maintenance Facility project, including 1) Approval of Amendment No. 2 to Agreement No. 13-003 with Weston Solutions Inc. for construction management services, to increase the contract amount \$762,000, to a total not-to-exceed amount of \$2,162,000, extend the contract term to April 30, 2016, and to authorize the Executive Director to execute the amendment; and 2) Authorization of a project budget increase in the amount of \$762,000 to support the contract amendment.

Director Intintoli asked if it was correct that the original contract amount for the project had been \$23 million, noting that the item stated that construction management was typically 10% of that amount. Mr. Mason said that that was correct, but that the original construction management contract had been budgeted low and did not accurately anticipate the level of complexity encountered on the project.

Director Intintoli cautioned that WETA be careful not to get into situations where it may not be able to address similar scenarios in the future. Chair Breckenridge agreed, noting that any projects going over schedule will likely create similar situations. She suggested that projects dealing with significant complexity such as the North Bay Operations and Maintenance Facility could have a higher buffer in place to compensate for the additional risk.

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

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

10. APPROVE AMENDMENT TO AGREEMENT WITH WEST BAY BUILDERS FOR LANDSIDE PHASE CONSTRUCTION OF THE NORTH BAY OPERATIONS AND MAINTENANCE FACILITY PROJECT

Mr. Mason presented this item to the Board requesting approval of actions related to the North Bay Operations and Maintenance Facility project, including 1) Approval of Amendment No. 1 to Agreement No. 13-008 with West Bay Builders to increase the landside construction contract contingency amount \$970,000, for a total not-to exceed contract amount of \$11,787,520 and authorize the Executive Director to execute the amendment; and 2) Authorization of a project budget increase in the amount of \$970,000 to support the contract amendment.

Chair Breckenridge asked what the capacity of the fuel tanks was. Mr. Mason replied that they were 12,000 gallons.

Director DelBono expressed concern that similar challenges may be encountered on the Central Bay Operations and Maintenance Facility. Mr. Mason noted that the Central Bay site was much smaller and not in a historic building, noting it was less likely to encounter the same challenges. Ms. Rannells added that although it was a different scenario it was a point worth keeping in mind.

Director Intintoli asked what the original budget had been for this project. Manager of Finance and Grants Lynne Yu said that it had been \$25.5 million.

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

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

11. APPROVE CONTRACT AWARD FOR TECHNICAL AND CONSTRUCTION MANAGEMENT SERVICES FOR THE VALLEJO DREDGING PROJECT

Manager of Operations Keith Stahnke presented this item requesting Board approval of a contract award to CLE Engineering for Technical and Construction Management services for the 2015 Vallejo Dredging project in an amount not to exceed \$120,000 and authorize the Executive Director to negotiate and execute a final contract and take any other such related actions to support the work.

Chair Breckenridge asked if this work was for the ferry terminal only. Mr. Stahnke said that it was, for the ferry terminal basin and approaches. He added that silting occurred all along the Vallejo waterfront, but that this was for the area where the ferry terminal is notched out of the promenade. Mr. Stahnke noted that there was dredging work going on at the marina as well. Chair Breckenridge asked if there was potential for collaborative effort with the marina. Mr. Stahnke replied that the ferry terminal was a considerable distance from the marina and that they had minimal impact on each other.

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

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

12. PUBLIC COMMENT

Jerry Bellows of the Maritime Administration noted that Ms. Rannells had visited one of MARAD's ships at Pier 50 to get an idea of their emergency response capabilities. He noted that the public would be welcome to board during Fleet Week on October 11 to see the ship outfitted with first responder vehicles onboard so that anyone could take a look at the response capabilities MARAD had to offer.

13. RECESS INTO CLOSED SESSION COMMENT AND REPORT OF ACTIVITY IN CLOSED SESSION

Chair Breckenridge called the meeting into closed session at 2:15 p.m. Upon reopening of the meeting at 2:43 p.m. she reported that the Board had authorized the Executive Director to negotiate a real estate issue and that no other action had been taken.

14. ADJOURNMENT

All business having concluded, the meeting was adjourned at 2:43 p.m.

Respectfully Submitted,

Board Secretary
