

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

(August 20, 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

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

2. REPORT OF BOARD CHAIR

No report.

3. REPORT OF DIRECTORS

No reports.

4. REPORTS OF STAFF

Executive Director Nina Rannells referred the Board to her written report and offered to field questions.

Ms. Rannells then noted the return of the ferry *Bay Breeze* to service and introduced Todd Roberts of Marine Group, who performed its half-life refurbishment. Mr. Roberts presented WETA with a water-jet cut representation of *Bay Breeze* created using aluminum left over from the refurbishment project. He also thanked Manager of Operations Keith Stahnke and Charlie Walther of Walther Engineering for their oversight over the course of the project.

Director Donovan asked Mr. Stahnke a question regarding a comment about Aurora Marine Design's shipyard surveys in the report, asking for details on what contract requirements would be considered "too restrictive". Mr. Stahnke replied that certain requirements may be challenging for some shipyards to meet, citing an example that if WETA required that a shipyard demonstrate that they had built 20 similar vessels that few yards would be able meet that requirement and may limit the number of proposals WETA could anticipate receiving.

5. PUBLIC HEARING ON PROPOSED FINAL FY 2015-2020 FARE PROGRAM PURPOSE

Chair Intintoli opened a Public Hearing for the Fiscal Year (FY) 2015-2020 Fare Program at 1:07 p.m. He asked that speakers clearly state their name and city of residence for the record and keep their comments to three minutes or less.

Senior Planner Michael Gougherty presented an overview of the 2015-2020 Fare Program. He noted that this was the last of five public hearings after a 60-day public outreach program which included distribution of notices onboard the ferries as well as on WETA's and San Francisco Bay Ferry's websites, social media, BayAlerts, and email lists, all encouraging riders to review the proposed program and provide comments. He noted that 46 comments had been received to date and that several changes had been made to the final proposed program as a result.

Chair Intintoli asked if it was correct that no fare changes would be implemented until July 1, 2015. Mr. Gougherty replied that no base fare increases would occur until that date but that on adoption of the fare program 1) the age for senior fares on the Harbor Bay service would increase from 62 to 65 to make the senior age consistent system-wide, and 2) other changes would result in fare decreases.

Chair Intintoli expressed concern regarding the change to the Harbor Bay senior category and asked if there was a way to make the change more gradual.

Chair Intintoli also asked about fees for school groups, noting that a \$2 fare was noted for the Alameda/Oakland service but not for the others. Mr. Gougherty said that this fare would be open to further definition at a later date. Manager of Planning and Development Kevin Connolly agreed that it would be discussed at a later date and that this fare program also omitted other special fares such as service to AT&T Park. Mr. Connolly said that any policies regarding the ballpark fares would be brought to the Board for discussion prior to any changes.

Director Donovan agreed that the Harbor Bay senior fare should be phased in over several years if possible. He then asked if school groups impacted commuter services. Manager of Public Information and Marketing Ernest Sanchez said that school groups could only reserve space after the morning commute and must depart on the 1:45 ferry from Pier 41.

Director Donovan then asked about transfers and asked if BART had been approached. Mr. Connolly replied no, stating that feeder services had been the primary objectives and that BART was largely a parallel service. Mr. Rannells added that it was her understanding that BART did not offer inter-agency transfer discounts, but that MTC would soon be looking at ways to improve inter-agency connectivity region-wide as part of the launch of the next iteration of Clipper. Mr. Connolly said that he looked forward to increased coordination with BART.

Chair Intintoli asked if the Vallejo monthly pass would continue to be usable on the Route 200 bus service. Mr. Gougherty said that it would be.

No public comments were offered and Chair Intintoli closed the hearing at 1:25 p.m.

6. CONSENT CALENDAR

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

- 1) The Board of Directors meeting minutes of July 10, 2014
- 2) Authorization of the Filing of Applications for Federal Transit Administration Formula Program Funds to Support Various Capital Projects
- 3) Authorization Execution of an Agreement with Solano County Transit for the Purpose of Receiving Public Transportation Modernization Improvement and Service Enhancement Account Funds

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

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

7. ADOPT MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PROGRAM FOR THE RICHMOND FERRY TERMINAL PROJECT

Chair Intintoli noted that this item would be pulled from the agenda. Director DelBono made a motion to continue to the September meeting, Director Donovan seconded the motion.

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

8. APPROVE CONTRACT AWARD TO CS MARINE CONSTRUCTORS, INC. FOR MARINE CONSTRUCTION SERVICES FOR THE ALAMEDA MAIN STREET FERRY FLOAT RELOCATION PROJECT

Operations Manager Keith Stahnke presented this item requesting that the Board approve a contract award to CS Marine Constructors, Inc. for marine construction services for the Alameda Main Street Float Relocation Project in an amount not to exceed \$58,500 and authorize the Executive Director to negotiate and execute an agreement and take any other related actions to support this work.

Director DelBono asked if WETA had utilized CS Marine's services previously. Mr. Stahnke said that they had and had performed satisfactorily. Director Donovan asked if Bay Ship & Yacht would be paying for the work. Mr. Stahnke said that they would be.

Chair Intintoli asked why Dutra's price proposal had been so different from the others. Mr. Stahnke replied that there was a narrow window available for the dredging work and that he believed Dutra would have had to delay other projects to meet WETA's schedule which may have impacted the proposal amount.

Director DelBono asked if WETA had utilized Power Engineering and Vortex Construction previously. Mr. Stahnke said that they had.

Public Comment

Veronica Sanchez of Masters, Mates & Pilots asked who would be doing tug work for CS Marine. Mr. Stahnke said that they did not specify in their proposal. Ms. Sanchez asked that they hire local union tugs to the extent possible.

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

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

9. APPROVE CONTRACT AWARD TO TOPPER INDUSTRIES, INC. FOR FABRICATION SERVICES FOR THE ALAMEDA MAIN STREET FERRY TERMINAL WALKWAYS AND RAMPS PROJECT

Mr. Stahnke presented this item requesting that the Board approve a contract award to Topper Industries, Inc. for fabrication services for the Alameda Main Street Ferry Terminal Walkways and Ramps in an amount not to exceed \$252,545 and authorize the Executive Director to negotiate and execute an agreement and take any other related actions to support this work.

Director DelBono asked where the firm is located. Mr. Stahnke replied Washington State, and that the other bidder is located in Sacramento. He noted that prior to WETA, the firm had done work for the ferry services under the cities of Alameda and Vallejo. He noted that both proposals were from good firms and that the schedule was the key point in selecting Topper. Mr. Stahnke also noted that the walkways and ramps would be fabricated offsite and delivered for installation.

Director Donovan asked how many firms had been invited to propose. Administrative Analyst Scott Houston said in addition to posting on WETA's website and newspaper advertising that the RFP had been sent to over 1,100 firms and individuals on WETA's contract procurement list.

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

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

10. AUTHORIZE RELEASE OF A REQUEST FOR PROPOSALS FOR THE MID-LIFE REFURBISHMENT OF THE PERALTA VESSEL

Mr. Stahnke presented this item requesting that the Board authorize the release of Request for Proposals for the mid-life refurbishment of the *Peralta* Vessel. He noted that due to WETA's need for the vessel that the work would likely need to be split and completed over two off-seasons.

Public Comment

Jerry Bellows of the Maritime Administration asked if the cylinder head and all components were part of the overhaul. Mr. Stahnke replied yes. Mr. Bellows also asked how the work would be divided on the

engines if the project was split. Mr. Stahnke said that the entirety of the engine work occurred in the initial phase of the project over approximately 30-40 days.

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

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

11. APPROVE A SOLE SOURCE CONTRACT WITH CUMMINS NORTHWEST, LLC FOR MAJOR OVERHAUL OF THE PERALTA MAIN ENGINES

Mr. Stahnke presented this item requesting that the Board approve a sole source contract with Cummins Northwest, LLC for the overhaul of the *Peralta* main engines in an amount not to exceed \$719,946 and authorize the Executive Director to negotiate and execute an agreement and take any other related actions to support this work.

Director DelBono asked what criteria were used for sole sourcing the engine overhaul contracts. Mr. Stahnke said that Cummins Northwest is the sole Cummins factory authorized dealership for the sales, parts and service of the *Peralta* engines in the Bay Area region.

Director Donovan asked if the \$719,946 was included in the budget for this work. Mr. Stahnke said that it was. Director Donovan then asked where *Peralta* would need to go for the work to be performed. Mr. Stahnke said that it would be subject to the results of the RFP. He noted that wherever the work would occur that the contract would require the engines be returned to the vessel.

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

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

12. APPROVE A SOLE SOURCE CONTRACT WITH VALLEY POWER SYSTEMS NORTH, INC. FOR INTERMEDIATE OVERHAUL OF THE GEMINI CLASS VESSELS MAIN ENGINES

Mr. Stahnke presented this item requesting that the Board approve actions relative to the intermediate overhaul of main engines on the four Gemini Class Vessels including 1) Approval of the award of a sole source contract to Valley Power Systems North, Inc. in an amount not to exceed \$1,150,000 and authorization of the Executive Director to negotiate and execute an agreement for this work; and 2) Approval of a capital budget increase in the amount of \$660,000 to support overhaul of the main engines on all four Gemini class vessels.

Director Donovan asked why all of these engines would be overhauled by Valley Power. Mr. Stahnke noted that these engines were made by MTU and only one WETA vessel had a non-MTU engines, the *Peralta* addressed in the prior item.

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

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

13. AUTHORIZE RELEASE OF A REQUEST FOR PROPOSALS FOR VESSEL REPLACEMENT CONSTRUCTION

Mr. Stahnke presented this item requesting that the Board authorize the release of a Request for Proposals for vessel replacement construction for two WETA vessels.

Director DelBono asked if easier bike loading would be considered as part of the design. Mr. Stahnke said that it was a planned element of the design and that maximum aisle widths for efficient flow and shorter routes were under consideration.

Chair Intintoli asked what the definition of “legacy vessels” was. Mr. Stahnke said that it referred to the older Blue & Gold Fleet vessels and that the WETA vessels were considered to be relatively modern.

Director Donovan asked who would manufacture the engines. Mr. Stahnke replied that MTU and Cat were the most likely.

Public Comment

Mr. Bellows asked if WETA would be looking at green trends in new vessel construction. Mr. Stahnke said that they would be where practical, adding that staff had considered LNG as a fuel option but that storage and delivery issues appeared not easily surmountable. He also noted that WETA had a mandate to achieve greater than 85% Tier II emission standards.

Director Donovan asked if there were Buy America requirements. Mr. Stahnke said that there were but that some items such as interior panels and seats could only be obtained from overseas suppliers.

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

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

14. PUBLIC COMMENT

Ross Woody of Vallejo asked when the *MV Vallejo* would be replaced, noting that it had been built in 1991. He added that given the lead times, the RFP schedule should begin now and that Vallejo riders were being left behind as a result of passengers avoiding the *Vallejo*.

Ms. Rannells replied that WETA was eager to replace the *Vallejo* and was aware of how customers felt about it. Mr. Stahnke said that at present that project was only partially funded but that WETA was moving closer to having funding in place. Mr. Woody said that that should be communicated to the ridership.

Mr. Woody commented on the fare policy, noting that riders who utilized the 10 ride punch cards would not see an increase until the fifth year. He said that what he didn't see was the farebox recovery for just Vallejo as opposed to WETA overall. Manager of Finance and Grants Lynne Yu said that would be included in the next meeting packet. Director DelBono said that he would also like to see farebox by route reported.

Mr. Woody said that his biggest concern was that last time Vallejo had a fare increase that there was a significant drop in ridership. Ms. Rannells replied the WETA was aware of that issue as it had subsidized the City of Vallejo's service in order to partially roll back the increase. She further explained that the proposed fare program calls for small, regular increases that allow for fare revenues to keep pace with cost inflation over time.

Chair Intintoli thanked Mr. Woody for his comments.

15. ADJOURNMENT

All business having concluded, the meeting was adjourned at 2:05 p.m.

Respectfully Submitted,

Board Secretary
