

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

(May 7, 2015)

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 1:02 p.m. and led the Pledge of Allegiance. Other directors present were Director Timothy Donovan and Director Anthony Intintoli.

2. REPORT OF BOARD CHAIR

Chair Breckenridge noted that she had met with the Director of the Port of San Francisco to discuss areas where WETA and the Port's priorities aligned. She added that she looked forward to establishing regular meetings with the Port.

3. REPORT OF DIRECTORS

Director Intintoli noted his attendance and thanked WETA Executive Director Nina Rannells for her annual presentation to the Government Affairs Committee at the Vallejo Chamber of Commerce.

4. PUBLIC HEARING ON PROPOSED BALLPARK FARE CHANGES

Chair Breckenridge noted that the Public Hearing and Ballpark Ferry Service Fare Change items would be taken out of order as they were timed items on the agenda. She then opened the Public Hearing at 1:05 p.m. Senior Planner Michael Gougherty introduced the item with a brief review of the proposed changes.

Public Comment

Hans Korve of Korve Consulting asked what the change was to the discount for Vallejo seniors.

Mr. Gougherty replied that the discount would change from 50% to 25%.

Chair Breckenridge asked if flyers regarding the change had been available onboard. Mr. Korve stated that he had not seen any flyers. Manager of Public Information and Marketing Ernest Sanchez replied that flyers had indeed been posted on the vessels. Manager of Planning and Development Kevin Connolly reported that he had seen signage and heard announcements regarding the public hearings on both the Alameda/Oakland and Harbor Bay services. Mr. Sanchez added that BayAlerts had also been issued advising riders of public hearings regarding the proposed changes.

Director Donovan noted that there had been no change to the Alameda/Oakland adult fare. Mr. Gougherty said that this was correct and explained that only the senior discount had changed and that the Alameda/Oakland fares required fewer adjustments than Vallejo as the Alameda/Oakland service recovered more of its cost than Vallejo.

Ms. Rannells noted that as a result of the lack of public input in response to the proposal, staff was recommending Alternative #3 as the most balanced approach to the fare changes.

Chair Breckenridge asked if the next iteration of Clipper would provide special fare categories for low income passengers. Mr. Connolly noted that WETA's fare program had been designed to coincide with the roll-out of Clipper 2.0 in 2020 but that the recreational services provided to AT&T Park would be revisited annually based on their performance.

Ms. Rannells noted that the proposed changes incorporated regional age categories established for Clipper 2.0.

Director Intintoli asked if the public hearings had been held in the evenings. Mr. Gougherty replied that one was held in the afternoon and one in the evening to encourage public attendance.

Chair Breckenridge said that she wanted to confirm that the public had had adequate opportunity to provide input and said that it would be interesting to see if the changes would affect ridership. Ms. Rannells noted that it was more common receiving input via email in recent years and fewer people chose to attend WETA's public hearings.

Chair Breckenridge closed the public hearing at 1:19 p.m. noting that no additional comments had been received.

5. APPROVE BALLPARK FERRY SERVICE FARE CHANGES

Mr. Gougherty presented this item requesting Board approval of the proposed ballpark ferry service fare changes under Alternative #3 and to authorize the Executive Director to take related actions necessary to implement the fare changes.

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

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

6. REPORTS OF STAFF

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

Administrative/Policy Analyst and DBE Administrator Lauren Gularte noted WETA's participation in several upcoming emergency response exercises including Yellow Command Urban Shield 2015, the Port of San Francisco's emergency response exercise which would focus on Port responsibilities, and MTC's Functional Exercise Fall 2015. Manager of Operations Keith Stahnke added that staff was also working on a revision of its Emergency Water Transportation System Management Plan as well as its internal plan.

Chair Breckenridge asked that staff investigate whether it would be appropriate for the Board to observe the June 4 exercises and that details be shared with the Board as they became available. Ms. Gularte noted that the next Board meeting was scheduled for the same date. Ms. Rannells said that staff would investigate the option.

Chair Breckenridge asked if MTC would be involved in the Port's exercise. Ms. Gularte said that she did not believe so.

Chair Breckenridge asked if there was any update regarding the activities of the Bay Area Council. Ms. Rannells noted that the Council had established a "Ferry Transportation Subcommittee" and that WETA had not been invited to its inaugural meeting. Ms. Rannells added that she would be meeting with

Council President Jim Wunderman to determine WETA's involvement. She also noted Mr. Wunderman's guest editorial in the San Francisco Chronicle which had been provided as a handout to the Board.

Chair Breckenridge asked that staff reiterate realistic expectations in any exchanges with the Council, noting the ongoing challenges of dredging, terminals and obtaining operating funding. She noted that service expansion would not occur overnight but that it would be a win-win to include the Council as partners in expansion discussions.

Ms. Rannells then reported that CA SB 231 has passed the Senate Transportation Committee and was on its way to the Senate Appropriations Committee. She noted that SB 231 clarified ferry eligibility for the Low Carbon Transit Operation Program which was included as part of the 2014-15 budget's cap and trade funding. Chair Breckenridge asked if there was any expectation of what would happen with the bill in Appropriations. Ms. Rannells said that she had not heard a prediction from WETA's State legislative representative Barry Broad of Broad & Gusman, LLP, but noted that these were non-controversial items intended as clarification to existing legislation.

Chair Breckenridge asked for an update regarding *Peralta's* mid-life overhaul. Mr. Stahnke replied that he anticipated that *Peralta* would return to service by the end of the month or early June. He noted that a late engine delivery had caused a two to three week delay in project delivery.

Chair Breckenridge asked if the North Bay Operations and Maintenance Facility would be completed in time for the June Board meeting. Senior Planner Chad Mason reported that completion of the punch list was underway and that the facility may be ready within the next month or two. Chair Breckenridge said that she would leave it up to staff for scheduling but that the Board anticipated a site visit after project completion.

Chair Breckenridge asked for a status update on the Alameda Terminals Access Study. Mr. Connolly noted that as indicated in the Executive Director's Report, WETA had put access plan activities on hold to allow the City of Alameda to move forward with its own initiatives to improve parking at the Harbor Bay and Alameda Main Street terminals.

Chair Breckenridge asked if there were any updates regarding USCG manning requirements. Ms. Rannells replied that the USCG would engage but that the onus would be on WETA to clarify the issue. Chair Breckenridge encouraged direct engagement and suggested that WETA demonstrate its past record and working standards to the USCG.

Chair Breckenridge asked for a status update on the issue of South San Francisco farebox recovery requirements. Mr. Connolly replied that MTC would be taking actions in May and October 2015 with the intent of giving the service an additional year to meet their requirement. He said that WETA had engaged its partners, including South San Francisco employers, to lobby MTC for the October action, and that MTC is aware that WETA does not consider a one year extension sufficient.

7. CONSENT CALENDAR

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

- a) Board Meeting Minutes for the April 2, 2015 meeting;
 - b) Authorization to File Applications with the Metropolitan Transportation Commission for FY 2015/16 Regional Measure 2 Operating Funds;
 - c) Authorization to File an Application with the Metropolitan Transportation Commission for \$12,000,000 Regional Measure 2 Capital Funds;
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d) Approval of an Amendment to the Agreement with GHD for Engineering and Construction Support Services for the North Bay Operations and Maintenance Facility.

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

Yeas: Breckenridge, Donovan, Intintoli. Nays: None. Absent: DeIBono.

8. APPROVE FISCAL YEAR 2015/16 OPERATING AND CAPITAL BUDGET

Manager of Finance and Grants Lynne Yu presented this item requesting Board approval of the proposed Fiscal Year 2015/16 Operations and Capital Budget.

Chair Breckenridge asked if there would be sufficient funds to operate the replacement vessel for the *Express II*. Ms. Yu replied that the *Express II* was intended as a backup vessel and would be placed into service only when needed. When not in operation, the *Express II* would incur minimal expenses for routine maintenance and insurance. Ms. Rannells added that WETA currently utilized eight vessels in service and maintained three as backup but operationally required four.

Mr. Stahnke noted the general need for more vessels, including for AT&T Park service, noting that the older vessels in the fleet would serve as backups and rotate in as needed. Ms. Rannells added that WETA's current fleet should suffice for the next year but that it needed 12 operational vessels to sustain the appropriate level of service.

Director Donovan asked if the new USCG manning requirements were included in the budget. Ms. Rannells replied that they were not included and that if the USCG requirements were applied to WETA, it would create a \$2.2 million impact. Director Donovan asked if Blue & Gold Fleet's wage increases were included in the budget. Ms. Yu replied affirmatively, and noted that Blue & Gold Fleet's billing rates were set in the multi-year operations and maintenance contract.

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

Yeas: Breckenridge, Donovan, Intintoli. Nays: None. Absent: DeIBono.

9. AUTHORIZE THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE PORT OF SAN FRANCISCO FOR IMPLEMENTATION OF THE DOWNTOWN SAN FRANCISCO FERRY TERMINAL EXPANSION PROJECT

Mr. Gougherty presented this item requesting that the Board authorize the Executive Director to negotiate and execute a Memorandum of Understanding (MOU) with the Port of San Francisco for implementation of the Downtown San Francisco Ferry Terminal Expansion project. He introduced Wharfinger Anita Yao, who was in attendance on behalf of the Port of San Francisco.

Chair Breckenridge asked if there was an alternative approach in lieu of landing fees. Ms. Rannells replied that the Port's current fee structure did not cover their costs and that a new cost proposal would be coming in the next six months. She noted that the model in use was that the Port was responsible for landside costs and that WETA was responsible for the waterside, noting that there was value in this set-up for both parties.

Chair Breckenridge asked for clarification regarding WETA's obligations related to the seawall adjacent to the project site. Mr. Gougherty replied that this is not WETA's responsibility and that a Port study was

underway regarding the status of the seawall. He noted that WETA was having a geotechnical analysis/study prepared related to the Downtown Expansion project and its interaction with the seawall, but that the MOU at hand would specify that WETA would not impact the seawall and that work on the seawall is not a part of the Downtown Expansion project.

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

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

10. APPROVE FY 2015-2018 TITLE VI PROGRAM

Ms. Gulate presented this item requesting Board approval of the FY 2015-2018 Title VI Program and delivered a brief background and overview of the project.

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

Yeas: Breckenridge, Donovan, Intintoli. Nays: None. Not Absent: DelBono.

11. AUTHORIZE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT WITH THE UNITED STATES NAVY FOR THE WATERSIDE PHASE OF THE NORTH BAY MAINTENANCE FACILITY

Mr. Mason presented this item requesting that the Board authorize the Executive Director to negotiate and execute a Lease Agreement with the United States Navy (Navy) and take any other such related actions.

Regarding Section 8 of the lease, Chair Breckenridge asked if this was considered low risk. Mr. Mason replied that it was. Chair Breckenridge asked if there would be a similar agreement with the City of Vallejo. Mr. Mason replied that there would be.

Director Donovan asked for confirmation that the lease covered only waterside aspects of the project. WETA counsel Stanley Taylor III of Nossaman LLP replied that it was all waterside and that it would be non-negotiable with the City as they favored ferry service. Ms. Rannells agreed and noted that the City had been involved throughout the process.

Public Comment

Mr. Korve asked why there would be no MOU with the City of Vallejo. Ms. Rannells explained that this was covered through the transition agreement with the City. Chair Breckenridge added that WETA was a partner with the City on the project.

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

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

12. AUTHORIZE RELEASE OF A REQUEST FOR QUALIFICATIONS FOR ON-CALL PLANNING, MARINE ENGINEERING AND PROFESSIONAL SERVICES

Mr. Mason presented this item requesting that the Board authorize the release of a Request for Qualifications for on-call planning, marine engineering and professional services to support WETA programs and services.

Chair Breckenridge commented that she understood there had been a good turnout at MTC's Business Outreach Committee meeting.

Public Comment

Veronica Sanchez commented on behalf of Veronica Sanchez Consulting, a woman-owned business, that she appreciated WETA's outreach to DBE firms. She noted that WETA straddled the transportation and maritime worlds. She recommended that WETA adopt a local business enterprise (LBE) program in addition to its DBE program.

Director Donovan asked regarding the Business Outreach Committee if it created opportunities for firms to partner. Ms. Gularte replied that the recent event Chair Breckenridge had referred to was a "Meet the Buyers" event and that WETA typically held pre-bid conferences for its projects at which firms had the opportunity to seek partnerships.

Chair Breckenridge referred to Ms. Sanchez' comment, asking if WETA had done any LBE outreach. Ms. Gularte replied that WETA did not have an LBE plan as they were restricted from geographical preferences. Mr. Taylor agreed that this was the case.

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

Yeas: Breckenridge, Donovan, Intintoli. Nays: None. Absent: DeIBono.

13. AUTHORIZE RELEASE OF AN INVITATION FOR BIDS FOR DREDGING AND MARINE CONSTRUCTION SERVICES FOR VALLEJO DREDGING PROJECT

Mr. Stahnke presented this item requesting authorization for the release of an Invitation for Bids for Dredging and Marine Construction services for the 2015 Vallejo dredging project.

Chair Breckenridge asked if there were any issues with the US Army Corps of Engineers (USACE). Mr. Stahnke replied that BCDC and the Water Quality Control Board were all ready to approve the project pending permitting by the USACE.

Chair Breckenridge asked why there were so many delays with the USACE. Mr. Gougherty replied that all projects experiencing delays with the USACE and that it was partly due to new staff. He added that that USACE had been accustomed to seeing ferry projects originating from WETA come from the cities or operators.

Chair Breckenridge asked if they would hold up the project. Mr. Stahnke said that he did not believe so and that WETA was well prepared to move the project forward. Chair Breckenridge offered Board intervention if required.

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

Yeas: Breckenridge, Donovan, Intintoli. Nays: None. Absent: DeIBono.

14. PUBLIC COMMENT

David Biggs, City Manager of the City of Hercules, introduced himself to WETA Board and staff. He updated the Board on the status of Hercules' intermodal transit center and Bay Trail improvements, adding that he anticipated Hercules becoming the second ferry service to be implemented in West Contra Costa after the Richmond service. Chair Breckenridge thanked Mr. Biggs for his attendance.

Mr. Korve asked if staff had looked at reasons behind the low ridership on the South San Francisco service. Mr. Connolly replied that WETA did not consider the ridership to be low, noting that it had exceeded projections and that a route in service for two years was not comparable to other routes that had been in operation for 20 years. He added that WETA was happy with the service's growth. Chair Breckenridge noted that South San Francisco was very much a commuter service and that its growth was on track.

15. ADJOURNMENT

All business having concluded, the meeting was adjourned at 3:38 p.m.

Respectfully Submitted,

Board Secretary
